

**MAGELLAN AEROSPACE CORPORATION
CHARTER OF THE PENSION COMMITTEE****MANDATE**

The Pension Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Magellan Aerospace Corporation (the “Corporation”). The mandate of the Committee shall be to assist the Board in its oversight of the pension plans, retirement plans, deferred profit sharing plans, and related assets administered or sponsored by the Corporation or its divisions or affiliates (the “Plans”) all as identified in a list provided to the Committee at each meeting of the Committee and to support the Corporation in governing, managing and operating the Plans. For greater certainty, the Committee is authorized to accept delegations from The Winnipeg Pension Committee for the Pension Plan for Salaried Employees of Magellan Aerospace, Winnipeg (A Division of Magellan Aerospace Limited) (the “WPC”) and any other pension committee of any other Plan which the Committee in its sole discretion deems advisable.

PRIMARY DUTIES AND RESPONSIBILITIES

In carrying out its mandate, the Committee has the powers, responsibilities and duties needed to govern, manage, administer and operate the Plans. The Committee’s duties and responsibilities include:

1. safeguarding the assets of the Plans through the development of common investment and funding beliefs, principles and policies and effective monitoring, to the extent permitted by law;
2. enhancing the pension governance system through the establishment of global governance policies and processes, to the extent permitted by law; and
3. ensuring fair, consistent, efficient and compliant treatment of pension items in the Corporation’s (and its subsidiaries’) financial statements through the development of common accounting beliefs, principles and policies;

subject, with respect to the Pension Plan for Salaried Employees of Magellan Aerospace, Winnipeg (A Division of Magellan Aerospace Limited) (the “Winnipeg Plan”) to the terms of any delegation by the WPC and with respect to any other delegation from another pension committee of any other Plan to the terms of such delegation.

The Committee has the responsibility for approving changes to the design of the Plans and the related necessary amendments thereto.

The Committee shall ensure that processes are in place to annually evaluate the performance of the Committee and its charter and to report thereon to the Board.

Nothing contained in this charter is intended to transfer to the Committee the Board’s responsibility to ensure the Corporation’s compliance with applicable laws or regulations or to expand applicable standards of liability under statutory or regulatory requirements for the directors or the members of the Committee.

PENSION COMMITTEE – MANDATE

OPERATING GUIDELINES FOR THE COMMITTEE

In performing its objectives, the Committee will:

1. comply with applicable legislation;
2. comply with the terms of the Plans, all relevant policies adopted by the Corporation and its subsidiaries, and the Board; and
3. utilize only methods and processes which are prudent and exercise the care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person.

DELEGATION BY THE COMMITTEE

The Committee may delegate the performance of designated functions to others internally or externally as it sees fit and may establish such sub-committees, working groups or other bodies as it deems necessary from time to time, including delegation to the Pension Administration Group, which is comprised of management representatives working in the positions with the following titles: Vice President, Human Resources; and, Pension and Compensation Analyst. The Pension Administration Group shall meet with the Committee at least once per annum

REPORTING TO THE COMMITTEE

Where the Committee delegates functions in accordance with the preceding section, the Committee will oversee the performance of the Pension Administration Group and such other external or internal agents, advisors, sub-committees and staff and determine the reporting requirements. The Pension Administration Group shall be primarily responsible for reporting to the Committee on the following:

1. written reports from the Pension Administration Group and its advisors on its activities at least once per annum;
2. recommendations regarding any changes to the pension governance system including, without limitation, accounting and investment beliefs, investment policies and funding principles;
3. status regarding relevant pension compliance with applicable legislation;
4. recommendations for the establishment of new plans and material amendments to or termination of existing Plans;
5. significant changes in Plan actuarial assumptions and methods;
6. recommendations for changes in Plan investment managers, changes in actuaries and/or advisors;
7. the investment performance of the assets of the Plans; and
8. report to the Committee at each meeting of the Committee;

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9. report not less frequently than annually to the WPC with respect to the Winnipeg Plan and to each pension committee of a Plan who delegated duties to the Committee which were further delegated to the Pension Administration Group; and
10. status of any auditor's independence letters as required.

OPERATION OF COMMITTEE

Reporting

The Committee shall report to the Board following each meeting of the Committee, and the Committee or its delegate, the Pension Administration Group, shall also report to the WPC with respect to the Winnipeg Plan following each meeting of the Committee. In addition, the Committee shall advise the Human Resources and Compensation Committee of the Board of all changes to Plans that may have an impact on employee compensation and the extent of such impact.

Composition of Committee

The Committee shall consist of not less than 3 nor more than 5 directors a majority of whom shall qualify as independent directors. When appointing directors to the Committee, the Board will consider that the Committee, in aggregate, should possess skills, knowledge, experience and expertise related to investment concepts and principles and accounting concepts and principles applicable to pension plans.

Appointment of Committee Members

Members of the Committee shall be appointed by the Board at a meeting, typically held immediately after the annual shareholders' meeting, provided that any member may be removed or replaced at any time by the Board and shall in any event cease to be a member of the Committee upon ceasing to be a member of the Board.

Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

Chairman

The Chairman of the Board, based on the recommendation of the Governance and Nominating Committee, will recommend an independent director as chairman of the Committee.

If the chairman of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside.

The chairman presiding at any meeting shall not have a casting vote.

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Secretary

The Committee shall appoint a secretary who need not be a member of the Committee or a director of the Corporation. The secretary shall keep minutes of the meetings of the Committee.

Committee Meetings

The Committee shall meet as often as is necessary at the call of the chairman of the Committee but no less than once per annum. In addition, a meeting may be called by any member of the Committee.

Committee meetings may be held in person, by video-conference, by means of telephone or by any combination of any of the foregoing.

Notice of Meeting

Notice of the time and place of every meeting may be given orally, in writing, by facsimile or by e-mail to each member of the Committee at least 48 hours prior to the time fixed for such meeting.

A member may in any manner waive notice of the meeting. Attendance of a member at the meeting shall constitute waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

Quorum

A majority of Committee members, present in person, by video-conference, by telephone or by a combination thereof, shall constitute a quorum.

Attendance at Meetings

The President and Chief Executive Officer, the Chief Financial Officer, and the Vice President, Human Resources of the Corporation and the members of the Pension Administration Group are expected to be available to attend Committee meetings, but a portion of every Committee meeting will be reserved for in-camera discussion without members of management and the Pension Administration Group being present.

The Committee may by specific invitation have other resource persons in attendance.

The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.

Minutes

Minutes of Committee meetings shall be sent to all members of the Committee and the HR Committee.

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Engaging Outside Resources

The Committee and the Pension Administration Group are empowered to engage outside resources, as each deems advisable, at the expense of the Corporation or a Plan, if permitted by the Plan.

Approved by the Board of Directors on December 8, 2015.