

BY-LAW NO. 2005-1

A BY-LAW CONFERRING POWERS ON THE BOARD OF DIRECTORS TO IMPLEMENT AND APPLY CONSTRAINTS ON THE ISSUE, TRANSFER AND OWNERSHIP OF VOTING SHARES OF THE CORPORATION

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this by-law and in notices or other written communications pertaining hereto, unless otherwise dictated by the context, the following expressions have the meanings ascribed to them respectively herein below:

"Act" means the *Business Corporations Act* (Alberta) R.S.A. 2000, c. B-9 and the regulations made under such Act, as amended from time to time;

"Agent" means a Person appointed to act on behalf of another;

"Canada Evidence Act" means the *Canada Evidence Act*, R.S.C. (1985), c. C-5 and the regulations made under such Act, as amended from time to time;

"*Canada Transportation Act*" means the *Canada Transportation Act*, S.C. 1996, c. 10 and the regulations made under such Act, as amended from time to time;

"Canadian" means a Canadian within the meaning of the *Canada Transportation Act*;

"Corporation" means WestJet Airlines Ltd.;

"Declaration" means a declaration within the meaning of subsection 2.3 of this by-law;

"Depository" means Caisse canadienne de dépôt de valeurs Limitée / Canadian Depository for Securities Limited or any other Person acting as an intermediary for the payment or delivery of securities in respect of securities transactions and providing centralized services for the compensation of securities transactions or providing centralized services as a depository in respect of the compensation of securities transactions;

"Non-Canadian" means a Person who is not a Canadian;

"Participant" means a holder of Voting Shares or the Agent of such holder registered with the Depository;

"Person" means an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;

"Registration System" means the services offered by the Depository;

"Transfer Agent" means CIBC Mellon Trust Company or any other corporation designated by the Board of Directors to act as Transfer Agent of the Corporation; and

"Voting Share" means a share that carries voting rights under all circumstances or by reason of an event that has occurred and is continuing and includes a security convertible into such a share and an exercisable option or right to acquire such a share or convertible security.

1.2 Interpretation

Terms in this by-law not defined herein but defined in the Act have the meanings ascribed to them in the Act. Any definition in this by-law that could be interpreted in a manner that is inconsistent with the Act will be interpreted so as to be consistent therewith.

2. **DECLARATIONS**

2.1 Holder

The Board of Directors may require, at all times, that any holder of Voting Shares of its share capital, the Agent of such holder, a Participant in whose name the Voting Shares of the Corporation are registered or the Depository, must provide any relevant information required to enable it to apply the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the Act and the Articles of the Corporation.

2.2 Transfer or issue of shares

The Board of Directors may require, prior to accepting any transfer of or subscription for Voting Shares of the Corporation's share capital, that the prospective holder, the Agent of such holder, the Participant in whose name such Voting Shares are registered, or the Depository, provide any relevant information required to enable it to apply the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the Act and the Articles of the Corporation.

2.3 Declaration and other information

In order to apply the provisions concerning the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the Act and the Articles of the Corporation, the Board of Directors may, in its entire discretion:

2.3.1 require a Person in whose name Voting Shares of the Corporation are registered, the Agent of such Person, the Participant in whose name such shares are registered, or the Depository to provide a statutory Declaration under the *Canada Evidence Act* or otherwise concerning:

- (i) whether the shareholder is the beneficial owner of, or controls, Voting Shares of the Corporation or holds them for a beneficial owner;
- (ii) whether the shareholder is an associate of another shareholder;
- (iii) whether the shareholder or beneficial owner is a Canadian; and
- (iv) any further facts that the directors consider relevant;

2.3.2 require any Person seeking to have a transfer of a Voting Share registered in his name or to have a Voting Share issued to him to provide a Declaration similar to the Declaration a Person may be required to provide under paragraph 2.3.1; and

2.3.3 determine the circumstances in which any Declarations are required, their form and the times when they are to be provided.

2.4 Failure to provide a declaration or any other information

When a Person, the Agent of such Person, the Participant in whose name the Voting Shares of the Corporation are registered, or the Depository are required to provide a Declaration or any other information required pursuant to this by-law and fail to comply with such obligation, the directors may take the following measures until such Person, the Agent of such Person, the Participant, or the Depository has provided the Declaration or the information concerned:

2.4.1 refuse to recognize all ownership rights attributable to the Voting Shares, including the voting rights attached to such Voting Shares, to register a transfer of a Voting Share in his name or, as the case may be in the name of the Person for whom the Participant or the Agent is acting or to issue a Voting Share to such Person or the Person for whom the Agent or the Participant is acting;

2.4.2 where the Voting Shares concerned are registered with the Depository, regardless of whether the failure is attributable to the Depository or the Participant, order the Depository to exclude the Voting Shares of the Participant from the Registration System and to refuse any new request by the Participant for registration in the Registration System; or

2.4.3 take any other measure deemed necessary in order to give effect to the provisions concerning the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the Act and the Articles of the Corporation.

3. **ADDITIONAL POWERS**

The Board of Directors may, when it deems it appropriate in order to apply the provisions concerning the restrictions on the issue, transfer, ownership, control or voting of Voting Shares of the Corporation set out in the Act, the Articles of the Corporation and this by-law:


3.1.1 name and sign any contract with third Persons, and particularly with the Transfer Agent and Depository, namely in order to assist in obtaining and following-up on the Declarations and various information it requires as well as in applying the sanctions related to a Person's failure to comply with the Act, the Articles of the Corporation, or this by-law, as the case may be; and

3.1.2 implement all control mechanisms and adopt all the procedures it may require from time to time, and in particular; (i) implement and adopt certificates of control of the Canadian or Non-Canadian status of the holders of Voting Shares of the Corporation's capital; and (ii) implement any specific compensation procedure in respect of the Voting Shares held by Canadians or Non-Canadians and subject to the Registration System.

4. SHARE CERTIFICATES

The Board of Directors is authorized to adopt and make, from time to time, all the amendments to the Corporation's share certificate forms required to give effect to the provisions concerning the restrictions on the issue, transfer and ownership of Voting Shares of the Corporation set out in the Articles of the Corporation.

MADE by the Board the 27th day of July, 2005.

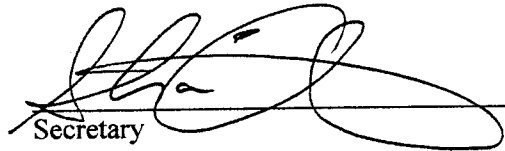


President



Secretary

CONFIRMED by the Shareholders in accordance with the *Business Corporations Act* (Alberta), the 30th day of August, 2005.



Secretary