



**NOTICE OF 2010 ANNUAL MEETING OF SHAREHOLDERS
OF COMMON VOTING SHARES AND VARIABLE VOTING SHARES**

Tuesday, May 4, 2010

**WESTJET AIRLINES LTD.
Management Proxy Circular
March 15, 2010**



March 15, 2010

Dear Fellow Shareholders,

On behalf of the directors, management and employees of WestJet, I invite you to attend our 2010 Annual Meeting of Shareholders to be held at the WestJet Campus, 22 Aerial Place, N.E., Calgary, Alberta, Canada, at 2:00 p.m. on Tuesday, May 4, 2010.

Your participation at our annual meeting is very important. Following the completion of the formal agenda, our business and future plans will be reviewed and members of our Board of Directors and Executive will be available to take your questions. If you are unable to attend the meeting and vote in person, we encourage you to vote by completing and returning the enclosed instrument of proxy or voting instruction form.

I would also like to take this opportunity to thank Sean Durfy for his many contributions to our great corporation over the years. Effective as of April 1, 2010, Sean will be leaving his roles as President, CEO and Director of WestJet but will remain with WestJet for up to six months to assist in transitioning the role of President and CEO to Gregg Saretsky. Sean has been a respected member of our WestJet team and we will miss his energy, leadership and passion as a member of our executive team and of our Board of Directors. I know you will join me in wishing Sean all the best as he embarks on the next chapter in his life.

The Notice of Meeting and Management Proxy Circular provides important information regarding the meeting, the proposals to be voted upon, the nominated directors, our corporate governance practices and our compensation philosophy. I encourage you to review this material and to exercise your right to vote.

We look forward to your support.

Yours truly,

A handwritten signature in black ink, appearing to read "Clive Beddoe". The signature is fluid and cursive, with a long horizontal stroke at the end.

Clive J. Beddoe
Chairman

**Notice of Annual Meeting of Shareholders
of
WestJet Airlines Ltd.**

Date and Time:

Tuesday, May 4, 2010 at 2:00 p.m. (MDT)

Place:

WestJet Campus, 22 Aerial Place N.E., Calgary, Alberta, T2E 3J1 Canada

Business of the Meeting:

The business of the Annual Meeting (the “**Meeting**”) is:

1. To receive and consider the consolidated financial statements of WestJet for the year ended December 31, 2009 and the auditors' report thereon;
2. To fix the number of Directors to be elected at the Meeting at eleven;
3. To elect Directors;
4. To appoint auditors and to authorize the Directors to set their remuneration;
5. To consider, and if thought appropriate, to approve by ordinary resolution, amendments to the 2009 Stock Option Plan, as more particularly described in the Management Proxy Circular;
6. To consider, and if thought appropriate, to approve and ratify by ordinary resolution, amendments to the 2008 Executive Share Unit Plan, as more particularly described in the Management Proxy Circular;
7. To consider, and if thought appropriate, to ratify by ordinary resolution, conditional grants of Unit Awards under the 2008 Executive Share Unit Plan, as more particularly described in the Management Proxy Circular;
8. To consider, and if thought appropriate, to approve by ordinary resolution, the Key Employee and Pilot Restricted Share Unit Plan, as more particularly described in the Management Proxy Circular; and
9. To transact such other business as may properly be brought before the Meeting or any adjournment thereof.

The Management Proxy Circular accompanying this Notice provides specific details of the business to be considered at the Meeting.

Record Date:

Registered holders (“**Shareholders**”) of WestJet’s common voting shares and variable voting shares (collectively “**Shares**”) at the close of trading on the Toronto Stock Exchange on March 15, 2010 (the “**Record Date**”) will be entitled to receive notice of and vote at the Meeting. If you acquired your Shares after the Record Date and wish to vote at the Meeting, you must establish that you own the Shares and demand not later than 10 days before the Meeting that your name be included in the list of Shareholders entitled to vote at the Meeting.

Voting:

It is important to us at WestJet that you exercise your vote at the Meeting. Please date and sign the enclosed instrument of proxy and mail it to or deposit it with the Corporate Secretary of WestJet, c/o CIBC Mellon Trust Company, P.O. Box 721, Agincourt, ON M1S 0A1, fax 1-866-781-3111 (toll free within North America) or (416) 368-2502 or plan to attend the Meeting and vote in person. Even if you plan to attend the Meeting, you may still vote via proxy. In order to be valid and acted upon at the Meeting, Instruments of Proxy must be returned by 5:00 p.m. (MDT) on Friday, April 30, 2010, or if the Meeting is adjourned or postponed, 48 hours prior to such adjourned or postponed Meeting (excluding Saturdays, Sundays and holidays). The time limit for deposit of proxies may be waived by the Board of Directors without notice.

BY ORDER OF THE BOARD OF DIRECTORS



Calgary, Alberta, Canada
March 15, 2010

Shawn E. Christensen
Corporate Secretary

WESTJET AIRLINES LTD.

Management Proxy Circular for the Annual Meeting to be held on Tuesday, May 4, 2010

ABOUT THIS CIRCULAR AND RELATED PROXY MATERIALS

The management (“**Management**”) of WestJet Airlines Ltd. (“**WestJet**”, “**we**”, “**us**”, “**our**”, the “**Corporation**” and other similar expressions) is providing this proxy circular (“**Circular**”) and related proxy materials to you in connection with our Annual Meeting of Shareholders scheduled to be held at the WestJet Campus, 22 Aerial Place N.E., Calgary, Alberta, Canada, on Tuesday, May 4, 2010 at 2:00 p.m. (MDT) (the “**Meeting**”). Management is soliciting your proxy for use at the Meeting and any adjournment thereof.

This Circular describes the business of the Meeting, items to be voted upon and the voting process, and provides information about our Directors, executive compensation, our corporate governance practices and other matters.

As a holder (“**Shareholder**”) of common voting shares (“**Common Voting Shares**”) or variable voting shares (“**Variable Voting Shares**”) (collectively, “**Shares**”), you are invited to attend the Meeting. If you are unable to attend, you may still vote. Please see the “Voting Information” section below for an explanation of how you can vote on the matters to be considered at the Meeting.

Unless otherwise indicated, the information contained herein is given as at March 15, 2010. In this Circular, any mention of “dollars” or “\$” refers to Canadian dollars, unless otherwise indicated.

VOTING INFORMATION

What will I be voting on?

You will be voting on seven matters at the Meeting:

- to fix the number of Directors to be elected at the Meeting;
- to elect our Directors;
- to appoint our auditors;
- to approve amendments to WestJet’s 2009 Option Plan;
- to approve and ratify amendments to WestJet’s 2008 Executive Share Unit Plan;
- to ratify conditional grants of Unit Awards under the 2008 Executive Share Unit Plan; and
- to approve WestJet’s Key Employee and Pilot Restricted Share Unit Plan.

Who can vote?

Shareholders of record on March 15, 2010 (the “**Record Date**”) are entitled to vote at the Meeting. To vote any Shares you acquired subsequent to the Record Date, you must, not later than ten days before the Meeting:

1. request through our transfer agent, CIBC Mellon Trust Company (“**CIBC Mellon**”), at 1-800-387-0825, that we add your name to the voting list; and
2. produce properly endorsed Share certificates or otherwise establish that you own the Shares.

How many votes are required for approval?

Matters to be addressed at the Meeting must be approved by a simple majority of the votes cast by Shareholders, either by proxy or in person at the Meeting.

How many votes do I have?

Subject to the voting restrictions and adjustments outlined below under “Restrictions on Voting of Shares”, you will have one vote for every Share that you own at the close of business on the Record Date.

How many Shares can vote?

As of the Record Date, WestJet had a total of 144,849,144 issued and outstanding Shares made up of 138,848,959 Common Voting Shares and 6,000,185 Variable Voting Shares. Each Share confers one voting right, subject to adjustment to voting rights attaching to the Variable Voting Shares, as discussed below under “Restrictions on Voting of Shares”.

To the knowledge of our directors and senior officers, as at March 15, 2010, no person or company beneficially owned, directly or indirectly, or exercised control or direction over, securities carrying more than 10% of the voting rights attached to the Shares.

Who counts the votes?

Proxies and votes of Shareholders attending the Meeting are counted by CIBC Mellon, the transfer agent of WestJet, who will act as scrutineer of the Meeting.

What is the deadline for proxy voting?

We would encourage you to submit your proxy as soon as possible to ensure that your vote is counted. Proxies must be received by CIBC Mellon no later than 5:00 p.m. (MDT) on April 30, 2010, or if the Meeting is adjourned or postponed, 48 hours before such adjourned or postponed Meeting (excluding Saturdays, Sundays and holidays). The time limit for the deposit of proxies may be waived by the Board without notice.

If you are a non-registered Shareholder exercising voting rights through a nominee, you should consult the voting instruction form from your nominee as they may have different and earlier deadlines.

HOW DO I VOTE?

You should first determine whether you are a registered Shareholder or a non-registered Shareholder.

- You are a registered Shareholder if your name appears on your Share certificates or if you hold your Shares on the records of CIBC Mellon.
- You are a non-registered Shareholder if your Shares are not held in your name but are held in the name of a nominee or intermediary such as a bank, trust company, securities broker, trustee or other custodian.

Please note that regardless of how your Shares are held, you must complete the declaration on your proxy or voting information form regarding whether or not the Shares you represent are owned or controlled by a “Canadian” for purposes of our ownership restrictions. If you do not complete such a declaration, or complete it improperly, the voting rights attached to the Shares you represent will not be

counted. The Shares represented by your form of proxy will be voted or withheld from voting in accordance with your instructions indicated on the form of proxy.

I'm a registered Shareholder. How do I vote by proxy?

You can use the enclosed instrument of proxy, or any other appropriate proxy form, to appoint your proxyholder and to indicate how you want your Shares voted. The persons named in the enclosed instrument of proxy are directors or officers of WestJet. **However, you can choose another person to be your proxyholder, including someone who is not a Shareholder.** If you choose this option, you should cross out the names printed on the instrument of proxy and insert another person's name in the blank space provided, or complete another appropriate proxy form. You may vote by proxy even if you plan to attend the meeting.

You have two ways to submit a completed proxy:

1. by fax, by completing and signing the enclosed instrument of proxy and forwarding it by fax to 1-866-781-3111 (toll-free within North America only) or to (416) 368-2502; or
2. by mail, by completing and signing the enclosed instrument of proxy and mailing it in the envelope provided.

I'm a registered Shareholder. How do I vote in person?

You do not need to do anything except attend the meeting. You should register with the representatives of CIBC Mellon when you arrive at the meeting. If you wish to vote Shares in the name of a corporation, the corporation must submit a properly executed proxy to CIBC Mellon by the proxy cut-off time which appoints you to vote the Shares on behalf of the corporation.

I hold Shares under WestJet's Employee Share Purchase Plan (the "ESPP"). How do I vote?

Shares purchased by employees of WestJet under the ESPP ("ESP Shares") remain registered in the name of CIBC Mellon, in accordance with the provisions of the ESPP, unless an employee has withdrawn their ESP Shares. Shareholders of ESP Shares cannot vote those Shares in person.

Voting rights attached to the ESP Shares can be exercised by employees by indicating to CIBC Mellon on the enclosed voting instruction form how the employee wishes his or her ESP Shares to be voted at the Meeting. The ESP Shares will be voted pursuant to the employee's directions. If no direction is provided on the voting instruction form as to a matter to be voted on, CIBC Mellon will vote the relevant ESP Shares **FOR** that matter. ESP Shares in respect of which a voting instruction form has not been signed and returned will not be voted.

The voting instruction form must be used with respect to ESP Shares. In the event that you are an employee and hold any Shares other than ESP Shares, you must separately follow the appropriate voting requirements with respect to those Shares. No instrument of proxy is to be completed with respect to ESP Shares unless you have withdrawn such Shares from the ESPP and you hold a Share certificate with respect thereto.

I'm a non-registered Shareholder. How do I vote?

You should have received the Circular from your nominee, together with a voting instruction form. Please contact your nominee if you did not receive a request for voting instructions in this package. Each nominee has its own signing and return instructions, which you should follow carefully to ensure that your votes are tabulated. Your nominee is required to seek your instructions as to the manner in which to vote your Shares. If you do not complete a voting instruction form, your nominee cannot vote your Shares.

On the Internet: Go to the website at www.proxyvote.com and follow the instructions on the screen. Your voting instructions are then conveyed electronically over the Internet. You will need the 12 digit Control Number found on your voting instruction form.

By Mail: Alternatively non-registered Shareholders may vote their units by completing the voting instruction form as directed on the form and returning it in the business reply envelope provided (by your nominee's cut-off date and time).

You can appoint a person other than the directors or officers of WestJet named on the voting instruction form as your proxyholder. This person does not have to be a Shareholder. Indicate the name of the person you are appointing in the space provided on the voting instruction form. Complete your voting instructions, and date and submit the form. Make sure that the person you appoint is aware that he or she has been appointed and attends the meeting. If you are a non-registered Shareholder who has voted and want to change your mind and vote in person, contact your nominee to obtain information on the procedure to follow, where possible.

I'm a non-registered Shareholder. Can I vote in person?

WestJet does not have access to the names of non-registered Shareholders. Unless your nominee has appointed you as proxyholder, we will have no record of your shareholdings or of your entitlement to vote. Therefore, if you are a non-registered Shareholder and wish to vote in person at the Meeting, please fill in your name in the space provided on the voting instruction form sent to you by your nominee. In so doing, you are instructing your nominee to appoint you as proxyholder. Then follow the execution and return instructions provided by your nominee. It is not necessary to otherwise complete the form, as you will be voting at the Meeting. For further details, contact your nominee directly.

PROXY INFORMATION**How are proxies solicited?**

Proxies will be solicited primarily by mail or by any other means Management may deem necessary. Members of Management will receive no additional compensation for these services, but will be reimbursed for any expenses incurred by them in connection with these services. Arrangements may also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation material to the beneficial owners of shares registered in the names of these persons, and WestJet may reimburse them for their reasonable transaction and clerical expenses. Costs of solicitation of proxies will be borne by WestJet.

I have elected to vote by proxy. How will my voting rights be exercised?

On the instrument of proxy, you have two choices: (1) you can indicate how you want your proxyholder to vote your Shares; or (2) you can let your proxyholder decide for you. If you have specified on the instrument of proxy how you want your Shares to be voted on a particular matter, then your proxyholder must vote your Shares accordingly in the case of either a vote by show of hands or a vote by ballot. If you have chosen to let your proxyholder decide for you, your proxyholder can then vote in accordance with his or her judgment.

Unless contrary instructions are provided, Shares represented by proxies received by Management will be voted **FOR** each matter to be presented at the Meeting.

What if there are amendments to the resolutions or if other matters are brought before the Meeting?

The enclosed instrument of proxy gives the persons named the authority to use their discretion and judgment in voting on amendments or variations to matters identified in the Notice of Meeting or any other matter duly brought before the Meeting.

As of the time of printing of this Circular, Management is not aware of any amendments to the matters set out in the Notice of Meeting or of other matters to be presented at the Meeting. However, if other matters duly come before the Meeting, the persons named on the enclosed instrument of proxy will vote on them in accordance with their judgment, pursuant to the discretionary authority conferred by the instrument of proxy with respect to such matters.

Can I revoke my proxy if I change my mind?

You can revoke your proxy at any time before it is exercised. To do this if you are a registered Shareholder, clearly state in writing that you want to revoke your proxy and deliver this written statement to the Corporate Secretary at 22 Aerial Place N.E., Calgary, Alberta, T2E 3J1, no later than the last business day before the Meeting, namely May 3, 2010 at 5:00 p.m. (MDT) or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner prescribed by law.

If you are a non-registered Shareholder who has voted and want to change your mind or revoke your proxy, contact your nominee to obtain information on the procedure to follow, where possible.

If you are a registered Shareholder and have given a proxy and attend personally at the Meeting at which such proxy is to be voted, you may revoke the proxy and vote in person.

How do I revoke my proxy?

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

RESTRICTONS ON VOTING OF SHARES

Why does WestJet have Common Voting Shares and Variable Voting Shares?

WestJet's Articles provide restrictions with respect to subscriptions, issues, transfers or purchases of Common Voting Shares which would cause WestJet to cease to be "Canadian" as defined in the *Canada Transportation Act*. The applicable provisions of the *Canada Transportation Act* require that WestJet, as a corporation which indirectly wholly-owns the holder of a domestic license, a scheduled international license and a non-scheduled international license, be Canadian; that is, WestJet must be controlled in fact by Canadians and at least 75% of its voting interests must be owned and controlled by Canadians.

The definition of "Canadian" under Section 55(1) of the *Canada Transportation Act* may be summarized as follows:

- (a) a Canadian citizen or a permanent resident within the meaning of the *Immigration and Refugee Protection Act* (Canada),
- (b) a government in Canada or an agent of such a government, or
- (c) a corporation or other entity that is incorporated or formed under the laws of Canada or a province, that is controlled in fact by Canadians and of which at least 75%, or such lesser percentage as the Governor in Council may by regulation specify, of the voting interests are owned and controlled by Canadians.

Every Shareholder will be required to complete a declaration as to their Canadian status, whether they are voting by proxy or in person, or giving voting directions for ESP Shares. Failure to complete such a declaration or instruction properly will result in the Shares associated with such declaration or instruction not being tabulated at the Meeting.

The Articles, By-laws and policies of WestJet grant to the Board of Directors the powers necessary to give effect to the ownership restrictions. WestJet has adopted certain policies, procedures and processes in order to monitor the number of its Shares owned by Canadians to ensure that the provisions of its Articles, By-laws and the *Canada Transportation Act* are complied with.

Who can own or control Common Voting Shares?

Common Voting Shares may only be owned and controlled by Canadians. Any Common Voting Share owned or controlled by a person who is not a Canadian is deemed to be converted to a Variable Voting Share.

What is the voting right attached to a Common Voting Share?

Each Common Voting Share confers the right to one vote at all meetings of our Shareholders.

Who can own or control Variable Voting Shares?

Variable Voting Shares are only owned or controlled by non-Canadians. Therefore, any Variable Voting Share owned or controlled by a person who is Canadian is deemed to be converted to a Common Voting Share.

What is the voting right attached to a Variable Voting Share?

Variable Voting Shares carry one vote per Variable Voting Share held, except where (i) the number of outstanding Variable Voting Shares exceeds 25% of the total number of all issued and outstanding Shares (or any other percentage that the Governor in Council may specify pursuant to the *Canada Transportation Act*), or (ii) the total number of votes cast by or on behalf of the holders of Variable Voting Shares at any meeting on any matter on which a vote is to be taken exceeds 25% (or any greater percentage that the Governor in Council may specify pursuant to the *Canada Transportation Act*) of the total number of votes cast at such meeting.

If either of the above-noted thresholds is surpassed at any time, the number of votes attached to each Variable Voting Share will decrease automatically without further act or formality. Under the circumstances described in (i) in the immediately preceding paragraph, the Variable Voting Shares as a class cannot carry more than 25% (or any other percentage that the Governor in Council may specify pursuant to the *Canada Transportation Act*) of the total voting rights attached to the aggregate number of issued and outstanding Shares. Under the circumstances described in (ii) in the immediately preceding paragraph, the Variable Voting Shares as a class cannot, for a given Shareholders' meeting, carry more than 25% (or any other percentage that the Governor in Council may specify pursuant to the *Canada Transportation Act*) of the total number of votes cast on any matter on which a vote is to be taken.

If the total number of votes cast by or on behalf of the holders of Variable Voting Shares on any matter on which a vote is to be taken at the Meeting exceeds 25% (or any higher percentage that the Governor in Council may specify pursuant to the *Canada Transportation Act*) of the aggregate votes that are cast on such matter, the number of votes attached to each Variable Voting Share will decrease automatically and proportionately such that the total votes attached to the Variable Voting Shares cast on the matter shall not exceed 25% of the aggregate votes.

The constraints described above do not apply to Variable Voting Shares held by a non-Canadian by way of security only or to Variable Voting Shares held by one or more non-Canadian underwriters solely for the purpose of distributing the shares to the public, or by any non-Canadian person acting as an intermediary in the payment of funds or the delivery of securities in connection with trades in securities and providing centralized facilities for the clearing of trades in securities.

BUSINESS OF THE MEETING

1. Financial Statements

The consolidated financial statements of WestJet for the year ended December 31, 2009 and the auditor's report thereon are in the 2009 Annual Report, which has been mailed to all registered Shareholders and beneficial Shareholders who requested it. These financial statements will be presented to the Shareholders at the Meeting and no vote is required with respect to this matter.

2. Number of Directors

According to its Articles, WestJet may have between three and 13 members of its Board of Directors (“Directors”). There are presently eleven (11) Directors of WestJet. Sean Durfy will be resigning from the Board effective April 1, 2010. Each of the other current Directors will retire from office at the Meeting.

At the Meeting it is proposed that Shareholders approve an ordinary resolution to fix the number of Directors to be elected at the Meeting at eleven (11). **Unless contrary instructions are indicated on the instrument of proxy or the voting instruction form, the persons designated in the accompanying instrument of proxy or voting instruction form intend to vote FOR fixing the number of Directors to be elected at the Meeting at eleven (11).**

3. Election of Directors

Management is not aware of any reason why any of the nominees named herein would be unable or unwilling to serve as a Director. However, if a nominee is not available to serve at the time of the Meeting, and unless otherwise specified (including by a Shareholder direction to withhold a vote), the persons named in the instrument of proxy may vote in favour of a substitute nominee or nominees selected by the Board.

The following are the names of the eleven (11) proposed nominees for election as Directors of WestJet:

Clive J. Beddoe	Brett Godfrey	Wilmot L. Matthews
Hugh Bolton	Donald A. Hougan	L.M. (Larry) Pollock
Ron A. Brenneman	Allan W. Jackson	Gregg Saretsky
	S. Barry Jackson	Arthur R.A. Scace

WestJet maintains a Majority Voting Policy providing that if the votes in favour of the election of an individual Director nominee at the Meeting represent less than a majority of the aggregate Shares voted in favour and withheld from voting for that nominee, the nominee will submit his or her resignation promptly after the Meeting for the Corporate Governance and Nominating Committee’s (“CGN Committee”) consideration. The CGN Committee will make a recommendation to the Board after reviewing the matter, and the Board's decision to accept or reject the resignation will be disclosed to the public. The nominee will not participate in any CGN Committee or Board deliberations in considering the resignation. The policy does not apply in circumstances involving contested Director elections.

Detailed information about these nominees is contained in this Proxy Circular under the heading “Information Concerning the Director Nominees”. All nominees, other than Gregg Saretsky, are currently Directors of WestJet.

At the Meeting it is proposed that Shareholders elect each of the nominees listed above to serve as a Director of WestJet and to hold such office until the next annual meeting of Shareholders. **Unless contrary instructions are indicated on the instrument of proxy or the voting instruction form, the**

persons designated in the accompanying instrument of proxy or voting instruction form intend to vote FOR the election of each of the above-named nominees.

4. Appointment of Auditors

The auditors of WestJet are KPMG LLP, Chartered Accountants, Calgary, Alberta. KPMG LLP have been WestJet's auditors since January, 1996.

At the Meeting the Shareholders will be asked to reappoint KPMG LLP to serve as auditors of WestJet until the next annual meeting of Shareholders and to authorize the Directors to fix their remuneration as such. **Unless contrary instructions are indicated on the instrument of proxy or the voting instruction form, the persons designated in the accompanying instrument of proxy or voting instruction form intend to vote FOR the appointment of KPMG LLP, Chartered Accountants, Calgary, Alberta, to serve as auditors of WestJet until the next annual meeting of the Shareholders and to authorize the Directors to fix their remuneration as such.**

5. Approval of Amendments to the 2009 Stock Option Plan

The 2009 Stock Option Plan ("**2009 SO Plan**") provides that the number of Shares that are reserved for issuance under the 2009 SO Plan is 12,242,897 Shares of which 504,047 Shares (approximately 0.3% of the Shares outstanding as at March 15, 2010) have been issued to date.

At the Meeting, Shareholders will be asked to consider and if deemed advisable, to ratify and approve amendments to the 2009 SO Plan to increase the number of Shares reserved for issuance to 12,449,168 (approximately 8.6% of the Shares outstanding as at March 15, 2010). As at March 15, 2010, Options representing up to 7,965,179 Shares were outstanding (approximately 5.5% of the Shares outstanding as at March 15, 2010). If the amendment is approved, Options representing up to 4,483,989 Shares or (approximately 3.1 % of the total issued and outstanding Shares as at March 15, 2010) would remain available for issuance under this plan.

The Shareholders will also be asked to approve an amendment to the 2009 SO Plan specifying that the Board may not change the expiry date for any individual grant benefiting an insider of the Corporation without Shareholder approval.

The amendments to the 2009 SO Plan have been conditionally approved by the Board and the Toronto Stock Exchange ("**TSX**"), subject to Shareholder approval. Approval of the 2009 SO Plan requires approval of Shareholders by ordinary resolution, being a majority of the votes cast by Shareholders on the resolution.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the following ordinary resolution:

BE IT RESOLVED, as an ordinary resolution of the Shareholders of WestJet Airlines Ltd. (the "Corporation") that:

1. the increase in the number of Shares reserved for issuance under the Corporation's 2009 Stock Option Plan to 12,449,168 is hereby approved; and
2. the 2009 Stock Option Plan is hereby amended to specify that the Board may not change the expiry date for any individual grant benefiting an insider of the Corporation without Shareholder approval.

Unless contrary instructions are indicated on the instrument of proxy or the voting instruction form, the persons designated in the accompanying instrument of proxy or voting instruction form intend to vote FOR the ordinary resolution approving the amendments to the 2009 SO Plan.

6. Approval and Ratification of Amendments to the 2008 ESU Plan

The 2008 Executive Share Unit Plan (“**2008 ESU Plan**”) provides that the maximum number of Shares that are reserved for issuance from time to time pursuant to Unit Awards shall be 550,000. During 2009, 40,159 Shares (approximately 0.03% of the Shares outstanding as at March 15, 2010) were issued under the 2008 ESU Plan.

At the Meeting, Shareholders will be asked to consider and if deemed advisable, to ratify and approve amendments to the 2008 ESU Plan to increase the number of shares reserved for issuance to 1,000,000, allowing the Board of Directors to provide Unit Awards to the Executives as outlined at page 35 of this Proxy Circular under the heading “Equity Compensation Plans-Executive Share Unit Plan-Conditional Grants of Unit Awards”. Shareholders will also be asked to ratify and approve the grant of Units representing an additional 136,815 Shares to the Executives as outlined at page 35 of this Proxy Circular under the heading “Equity Compensation Plans-Executive Share Unit Plan-Conditional Grants of Unit Awards” (the “**Conditional Unit Award Grants**”). See “Business of the Meeting-7. Ratification of Conditional Unit Award Grants under the 2008 ESU Plan” herein.

If the proposed amendments to the 2008 ESU Plan are approved, an additional 490,159 Shares (approximately 0.3% of the Shares outstanding as at March 15, 2010) will be authorized to be issued under the plan bringing the total number of Shares reserved for issuance under such Plan to 1,000,000 Shares (approximately 0.7% of the Shares outstanding as at March 15, 2010). As at March 15, 2010 Units representing up to a maximum of 505,007 Shares are outstanding (approximately 0.3% of the Shares outstanding as at March 15, 2010); Units representing an additional maximum 136,815 Shares (approximately 0.1% of the Shares outstanding as at March 15, 2010) have been conditionally granted, pending Shareholder approval of the amendments. See “*Equity Compensation Plans-Executive Share Unit Plan-Conditional Grants of Unit Awards*” and “*Business of the Meeting-7. Ratification of Conditional Unit Award Grants under the 2008 ESU Plan*” herein.

Together with the 12,449,168 Shares reserved for issuance under the 2009 SO Plan, 1,000,000 Shares to be reserved for issuance under the KEP Plan (described below) and 35,749 Shares reserved for issuance under the Employee Share Purchase Plan (“**ESPP**”), a total of 14,484,914 Shares will be reserved for issuance, which equals 10.0% of the Corporation's 144,849,144 issued and outstanding Shares as at the Record Date.

The amendment described in this section has been conditionally approved by the Board and the TSX subject to Shareholder Approval. Approval of the amendment to the 2008 ESU Plan requires approval of Shareholders by ordinary resolution, being a majority of the votes cast by Shareholders on the resolution.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the following ordinary resolution:

BE IT RESOLVED, as an ordinary resolution of the Shareholders of WestJet Airlines Ltd. (the “Corporation”) that:

1. the increase in the number of Shares reserved for issuance under the Corporation's 2008 Executive Share Unit Plan to 1,000,000 is hereby ratified and approved.

Unless contrary instructions are indicated on the instrument of proxy or the voting instruction form, the persons designated in the accompanying instrument of proxy or voting instruction form intend to vote FOR the ordinary resolution to approve the amendment to the 2008 ESU Plan.

7. Ratification of Conditional Unit Award Grants under the 2008 ESU Plan

At the Meeting, Shareholders will be asked to consider and if deemed advisable, to ratify and approve the Conditional Unit Award Grants representing an additional 136,815 Shares to the Executives as outlined at page 35 of this Proxy Circular under the heading “Equity Compensation Plans-Executive Share Unit Plan-Conditional Grants of Unit Awards”.

Ratification and approval of the Conditional Unit Award Grants under the 2008 ESU Plan requires approval of Shareholders by ordinary resolution, being a majority of the votes cast by Shareholders on the resolution.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the following ordinary resolution:

BE IT RESOLVED, as an ordinary resolution of the Shareholders of WestJet Airlines Ltd. (the “Corporation”) that:

1. the grant of Unit Awards to certain executive officers of the Corporation representing an aggregate of 136,815 Shares, as more particularly described in the Management Proxy Circular of the Corporation dated March 15, 2010, is hereby ratified and approved.

Unless contrary instructions are indicated on the instrument of proxy or the voting instruction form, the persons designated in the accompanying instrument of proxy or voting instruction form intend to vote FOR the ordinary resolution to approve the ratification of the Conditional Unit Award Grants.

8. Approval of the Key Employee and Pilot Restricted Share Unit Plan

Shareholders will be asked at the Meeting to consider an ordinary resolution, and if thought advisable, to ratify and approve the Key Employee and Pilot Restricted Share Unit Plan (“**KEP Plan**”). A copy of the KEP Plan is attached to the Circular as Appendix “B”.

A full description of the KEP Plan can be found under the heading “Equity Compensation Plans – Key Employee and Pilot Restricted Share Unit Plan” including the eligible participants, the maximum number of Shares issuable under the KEP Plan, term and vesting and the amendment provisions.

The KEP Plan has been conditionally approved by the Board and the TSX, subject to Shareholder approval. Approval of the KEP Plan requires approval of Shareholders by ordinary resolution, being a majority of the votes cast by Shareholders on the resolution.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the following ordinary resolution:


BE IT RESOLVED, as an ordinary resolution of the Shareholders of WestJet Airlines Ltd. (the "Corporation") that:

1. the Key Employee and Pilot Restricted Share Unit Plan, attached as Appendix "B" to the Corporation's Proxy Circular dated March 15, 2010, be and is hereby approved; and
2. any officer or Director of the Corporation be and is hereby authorized and directed to execute, deliver and file all such documents and other instruments and to otherwise do and perform all such acts and things as are personally determined to be necessary or desirable for the implementation of this resolution.

Unless contrary instructions are indicated on the instrument of proxy or the voting instruction form, the persons designated in the accompanying instrument of proxy or voting instruction form intend to vote FOR the ordinary resolution approving the KEP Plan.

INFORMATION CONCERNING THE DIRECTOR NOMINEES

The following information relating to the nominees as Directors is based partly on our records and partly on information received from each nominee. All information, other than security holdings, is presented as at December 31, 2009; security holdings are presented as at March 15, 2010. The Corporate Governance, Nominating, Safety and Environment Committee is noted as the "CGNSE" in the tables below.

CLIVE J. BEDDOE						
	Age: 63 Calgary, Alberta, Canada		Mr. Beddoe is Chairman of WestJet, President of The Hanover Group of Companies and a Director of Alberta Investment Management Corp. Mr. Beddoe, a successful entrepreneur, brings to WestJet a strong background in financial planning and strategic management. Mr. Beddoe is a private pilot and has been licensed to fly numerous types of aircraft. It was through this keen interest in aircraft that he became involved with the formation of WestJet. Mr. Beddoe served as President of WestJet until September 2006 and the CEO of WestJet until September 2007. On February 10, 2009, Mr. Beddoe relinquished his role as Executive Chairman of WestJet in favour of acting solely as Chairman of the Board.			
Areas of Expertise: Airline industry Management	Non-Independent					
Board/Committee Membership as at December 31, 2009:		2009 Attendance:	2009 Attendance (total):		Value of Total Compensation Received:	
Board (Chairman)		8 of 9	91%		2009	\$ 373,151
Audit (ex officio)		4 of 5			2008	\$ 350,000
Compensation (ex officio)		5 of 5				
CGNSE (ex officio)		4 of 4				
Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):						
Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	4,314,849	–	4,314,849	\$ 59,846,956	\$ 150,000	Yes
2009	4,416,049	–	4,416,049	\$ 50,961,205	\$ 100,000	Yes
Option-Based and Share-Based Awards Held as at December 31:						
Year	Option-Based Awards	Average weighted exercise price	Value of unexercised in-the-money options	Share-based awards	Market value of share-based awards	
2009	154,231	\$ 13.14	\$ 62,690	16,779	\$ 207,892	
2008	330,011	\$ 13.23	\$ 240,993	16,779	\$ 220,140	
Other Public Company Board/Committee Memberships:						
None						

HUGH BOLTON

Age: 71
Edmonton, Alberta, Canada

Director since: Aug. 2, 2005

Independent

Areas of Expertise:
Accounting
Corporate finance
Corp. governance

Mr. Bolton is a Chartered Accountant and Fellow of the Alberta Institute of Chartered Accountants, and the former Chairman, CEO and partner in Coopers & Lybrand Canada, Chartered Accountants. Mr. Bolton is currently the non-executive Chair of the Board of Directors of EPCOR Utilities Inc. and Matrikon Inc. He is also a board member of the Canadian National Railway Company, Teck Resources Limited, TD Bank Financial Group and Capital Power Corporation. Mr. Bolton received his Bachelor of Arts in Economics from the University of Alberta. In 2006, he was made a fellow of the Institute of Corporate Directors (Canada).

Board/Committee Membership as at December 31, 2009:	2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:	
Board	9 of 9	100%	2009	\$ 67,500
Audit (Chair)	5 of 5		2008	\$ 54,235
CGNSE	4 of 4			

Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):

Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	5,000	10,544	15,544	\$ 215,595	\$ 150,000	Yes
2009	5,000	4,454	9,454	\$ 109,099	\$ 100,000	Yes

Other Public Company Board/Committee Memberships:

Company	Type of Company	Committee(s)/Positions
Epcor Utilities Inc.		Chair; Ex-officio member of the Audit, Corporate Governance & Nominating, Environmental, Health & Safety, Human Resource and Compensation Committees
Toronto Dominion Bank	(TSX)(NYSE) (Tokyo)	Corporate Governance Committee
Teck Resources Limited	(TSX)(NYSE)	Audit Committee (Chair); Corporate Governance Committee
Canadian National Railway Company	(TSX)(NYSE)	Audit Committee; Corporate Governance and Nominating Committee; Human Resources and Compensation Committee; Strategic Planning Committee
Matrikon Inc.	(TSX)	Chair; Compensation and Governance Committee
Capital Power Corporation	(TSX)	

RON A. BRENNEMAN

Age: 63
Calgary, Alberta, Canada

Director since: Sept. 8, 2009

Independent

Areas of Expertise:
Retail business
Management
International business

Mr. Brenneman is the former President and Chief Executive Officer of Petro-Canada. Prior to joining Petro-Canada in 2000, he spent more than 30 years with Imperial Oil Ltd. and its parent company Exxon Corporation. Until February 15, 2010, he served as the Executive Vice-Chairman of Suncor Energy Inc. Mr. Brenneman also serves on the Boards of the Bank of Nova Scotia and BCE Inc. Mr. Brenneman holds a B.Sc. (in chemical engineering) from the University of Toronto and an M.Sc. (in control systems) from the University of Manchester.

Board/Committee Membership as at December 31, 2009:	2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:	
Board	2 of 2	100%	2009	\$ 13,125
Compensation	1 of 1		2008	n/a

Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):

Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	10,000	–	10,000	\$ 138,700	n/a	n/a
2009	n/a	n/a	n/a	n/a	n/a	n/a

Other Public Company Board/Committee Memberships:

Company	Type of Company	Committee(s)/Positions
Bank of Nova Scotia	(TSX) (NYSE)	Audit and Conduct Review Committee; Human Resources Committee
BCE Inc.	(TSX) (NYSE)	Management Resources and Compensation Committee; Pension Fund Committee

BRETT GODFREY

Age: 46
Clayfield, Queensland,
Australia

Director since: Aug. 22, 2006

Independent

Areas of Expertise:
Airline industry
Accounting
Management

Mr. Godfrey is the co-founder and Chief Executive Officer of Virgin Blue Airlines, a publicly-listed airline in Australia. Mr. Godfrey brings valuable experience in the airline industry to WestJet. Mr. Godfrey has worked for various Virgin Group airlines, starting in the early 1990s with Virgin Atlantic as Finance Manager. In 1997, he was appointed CFO of Virgin Express, a low-fare publicly-listed airline based in Belgium, before launching Virgin Blue in 2000. Mr. Godfrey is also a board member of Green Cross Australia, a not-for-profit organization and holds a business degree from Victoria University in Melbourne, Australia. He is a Chartered Accountant.

Board/Committee Membership as at December 31, 2009:	2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:	
Board	6 of 9	69%	2009	\$ 41,250
CGNSE	3 of 4		2008	\$ 32,962

Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):

Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	13,700	–	13,700	\$ 190,019	\$ 150,000	Yes
2009	–	–	–	–	n/a	n/a

Other Public Company Board/Committee Memberships:

Company	Type of Company	Committee(s)/Positions
Virgin Blue Holdings Ltd.	(ASX)	Managing Director

DONALD A. HOUGAN

Age: 57
Calgary, Alberta, Canada

Director since May 15, 2007

Non-Independent

Areas of Expertise:
Airline industry

Mr. Hougan joined WestJet in 1999, and is currently based in Calgary as one of WestJet's pilots. He is a member of WestJet's Pro-Active Communication Team ("PACT"), as well as the PACT Representative on WestJet's Board of Directors.

Board/Committee Membership as at December 31, 2009:	2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:	
Board	7 of 9	78%	2009	\$ 291,560
			2008	\$ 267,444

Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):

Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	17,542	–	17,542	\$ 243,308	n/a	n/a
2009	18,302	–	18,302	\$ 211,205	n/a	n/a

Option-Based and Share-Based Awards Held as at December 31:

Year	Option-Based Awards	Average weighted exercise price	Value of unexercised in-the-money options	Share-based awards	Market value of share-based awards
2009	16,207	\$ 13.04	\$ 5,546	–	–
2008	21,052	\$ 13.67	\$ 12,648	–	–

Other Public Company Board/Committee Memberships:

None

ALLAN W. JACKSON

Age: 69
Calgary, Alberta, Canada

Lead Director
Director since July 30, 2003

Independent

Areas of Expertise:
Corporate governance
Banking
Real estate

Mr. Allan Jackson is currently the President and Chief Executive Officer of Arci Ltd., a private real estate investment company, and President and Chief Executive Officer of Jackson Enterprises Inc., a private holding and consulting company. Mr. Jackson serves as Chair of the Board of Directors for Canadian Western Bank and previously served as a director of Princeton Developments Ltd., a private real estate development and management company. Mr. Jackson received his Bachelor of Arts (Honours) in Business Administration from the University of Western Ontario.

Board/Committee Membership as at December 31, 2009:	2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:	
	Board (Lead Director)	9 of 9	100%	2009
Audit	5 of 5	2008		\$ 58,479
Compensation (Chair)	5 of 5			
CGNSE	4 of 4			

Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):

Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	21,000	12,544	33,544	\$ 465,255	\$ 150,000	Yes
2009	21,000	5,271	26,271	\$ 303,167	\$ 100,000	Yes

Other Public Company Board/Committee Memberships:

Company	Type of Company	Committee(s)/Positions
Canadian Western Bank	(TSX)	Chair; Conduct Review Committee; Loans Committee (Chair); Corporate Governance & Human Resources Committee

S. BARRY JACKSON

Age: 57
Calgary, Alberta, Canada

Director since Feb. 24, 2009

Independent

Areas of Expertise:
Compensation
Management
Oil & gas
Corporate governance

Mr. Barry Jackson is the retired Chair of Resolute Energy Inc. and Deer Creek Energy Limited. He was formerly President, CEO and a director of Crestar Energy Inc. He has worked in the oil and gas industry since 1974 and held senior executive positions with Northstar Energy Corporation and Crestar. Mr. Jackson has a Bachelor of Science degree in Engineering from the University of Calgary and is a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. He has served on the boards of several public companies and on the audit committees of some of those boards. Mr. Jackson is Chair of TransCanada Corporation and TransCanada PipeLines Limited and a director of Laricina Energy Ltd. and Nexen Inc.

Board/Committee Membership as at December 31, 2009:	2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:	
	Board	5 of 7	82%	2009
Compensation	3 of 3	2008		n/a
CGNSE	1 of 1			

Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):

Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	–	3,261	3,261	\$ 45,230	n/a	n/a
2009	n/a	n/a	n/a	n/a	n/a	n/a

Other Public Company Board/Committee Memberships:

Company	Type of Company	Committee(s)/Positions
Nexen Inc.	(TSX) (NYSE)	Audit & Conduct Review; Compensation and Human Resources; Health, Safety Environment and Social Responsibility (Chair); Reserves Review
TransCanada Corporation	(TSX)	Chair; Ex-Officio member of the Governance and Human Resources Committees
TransCanada PipeLines Limited	(TSX)	Chair; Ex-Officio member of the Governance and Human Resources Committees

WILMOT L. MATTHEWS

Age: 73
Toronto, Ontario, Canada

Director since Sep. 17, 1996

Independent

Areas of Expertise:
Investments
Accounting
Corporate finance
Corporate governance

Mr. Matthews has been involved in all aspects of investment banking by serving in various positions with Nesbitt Burns Inc. and its predecessor companies from 1964 until his retirement in September, 1996, most recently as Vice Chairman and Director. Mr. Matthews is currently President of Marjad Inc., a private investment company. He is Chairman of Resin Systems Inc. and also serves on the Board of Directors of several private companies and clubs. Mr. Matthews received his Bachelor of Arts in Math, Physics and Chemistry from the University of Toronto and his Master of Science in Economics from the London School of Economics in London, England, and is a Chartered Accountant.

Board/Committee Membership as at December 31, 2009:	2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:	
Board	9 of 9	100%	2009	\$ 59,500
Audit	5 of 5		2008	\$ 52,971
CGNSE (Chair)	4 of 4			

Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):

Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	3,406,371	9,772	3,416,143	\$ 47,381,903	\$ 150,000	Yes
2009	3,406,371	4,403	3,410,774	\$ 39,360,332	\$ 100,000	Yes

Other Public Company Board/Committee Memberships:

Company	Type of Company	Committee(s)/Positions
Resin Systems Inc.	(TSX)	Chair; Audit Committee; Compensation, Nominating, Corporate Governance Committee

L.M. (LARRY) POLLOCK

Age: 63
Edmonton, Alberta, Canada

Director since Sep. 16, 1999

Independent

Areas of Expertise:
Banking
Accounting
Management

Mr. Pollock is the President and Chief Executive Officer of both the Canadian Western Bank and Canadian Western Trust. He is also a Director of Canadian Direct Insurance (a subsidiary of CWB), EPCOR, Canadian Helicopters Income Fund, and the Edmonton Eskimos of the Canadian Football League, and is a member of the Executive Council of the Canadian Bankers' Association. Mr. Pollock graduated from the Saskatchewan Institute of Applied Arts & Sciences in Business Administration.

Board/Committee Membership as at December 31, 2009:	2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:	
Board	8 of 9	95%	2009	\$ 52,500
Audit	5 of 5		2008	\$ 45,462
Compensation	5 of 5			

Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):

Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	11,975	—	11,975	\$ 166,093	\$ 150,000	Yes
2009	11,975	—	11,975	\$ 138,192	\$ 100,000	Yes

Other Public Company Board/Committee Memberships:

Company	Type of Company	Committee(s)/Positions
Canadian Western Bank	(TSX)	President and CEO; Loans Committee
Epcor Utilities Inc.		Corporate Governance & Nominating Committee; Human Resources & Compensation Committee
Canadian Helicopter Income Fund	(TSX)	Audit Committee; Compensation, Corporate Governance & Nominating Committee

GREGG SARETSKY

Age: 50
Calgary, Alberta, Canada

Not currently serving as a Director

Non-Independent

Areas of Expertise:
Airline industry
Marketing
Management

Gregg Saretsky joined WestJet in June 2009 as Vice-President of WestJet Vacations, before being named Executive Vice-President, Operations, for WestJet in October 2009. On March 15, 2010, it was announced that Mr. Saretsky would be assuming the roles of President and Chief Executive Officer of WestJet as of April 1, 2010.

Mr. Saretsky began his career in aviation with Canadian Airlines in 1985 as a route development planner and rose through the ranks to the position of Vice-President, Airports, and Vice-President, Marketing, before joining Alaska Airlines in 1998 as Senior Vice-President, Marketing & Planning. He also served as Executive Vice-President of Flight Operations and Marketing, responsible for the airline's flight crews, operations, and consumer programs and activities. Mr. Saretsky grew up in Quebec and British Columbia, and holds a Bachelor of Science degree in Microbiology and Biochemistry and a Master's Degree in Business Administration from the University of British Columbia.

Board/Committee Membership as at December 31, 2009:		2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:		
n/a		n/a	n/a	2009	\$ 522,129	
Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):						
Year	Shares	RSUs	Total Shares and RSUs	Total Market Value of Shares and RSUs	Minimum SOG	Meets Requirements
2010	11,626	11,855	23,481	\$ 325,681	n/a	n/a
Option-Based and Share-Based Awards Held as at December 31:						
Year	Option-Based Awards	Average weighted exercise price	Value of unexercised in-the-money options	Share-based awards	Market value of share-based awards	
2009	36,327	\$ 11.66	\$ 26,519	6,379	\$ 33,874	
Other Public Company Board/Committee Memberships:						
None						

ARTHUR R.A. SCACE, C.M., Q.C.

Age: 71
Toronto, Ontario, Canada

Director since June 3, 2005

Independent

Areas of Expertise:
Law
Corporate governance

Mr. Scace is a former partner and Chairman of McCarthy Tétrault LLP, Barristers and Solicitors in Toronto. He is also Past Chairman of the Bank of Nova Scotia. Mr Scace received his Bachelor of Arts from the University of Toronto and Oxford University, his Master of Arts from Harvard University and his Bachelor of Laws from Osgoode Hall. He was called to the bar in Ontario in 1967.

Board/Committee Membership as at December 31, 2009:		2009 Attendance:	2009 Attendance (total):	Value of Total Compensation Received:		
Board		9 of 9	100%	2009	\$ 52,500	
Audit		5 of 5		2008	\$ 46,712	
CGNSE		4 of 4				
Securities Held as at March 15 (at Market Value of \$13.87 per Common Share):						
Year	Shares	DSUs	Total Shares and DSUs	Total Market Value of Shares and DSUs	Minimum SOG	Meets Requirements
2010	15,000	4,302	19,302	\$ 267,719	\$ 150,000	Yes
2009	15,000	1,933	16,933	\$ 195,407	\$ 100,000	Yes
Other Public Company Board/Committee Memberships:						
Company	Type of Company	Committee(s)/Positions				
Gerdau Ameristeel Corporation	(TSX)(NYSE)	Audit Committee; Corporate Governance Committee				
Sceptre Investment Counsel Limited	(TSX)	Corporate Governance Committee				

Interlocking Directorships

The table below lists the Directors of WestJet who served together on boards of directors of other public entities as at December 31, 2009.

Entity	Directors	Committees
Canadian Western Bank	Allan W. Jackson	Conduct Review Committee, Loans Committee and Corporate Governance & Human Resources Committee
	L.M. (Larry) Pollock	Loans Committee
Epcor Utilities Inc.	Hugh Bolton	Chair; Ex-officio member of the Audit Committee, the Corporate Governance & Nominating Committee, the Environmental Health & Safety Committee and the Human Resources & Compensation Committee
	L.M. (Larry) Pollock	Corporate Governance & Nominating Committee and Human Resources & Compensation Committee

The Board does not believe these interlocking directorships impact on the ability of these Directors to act in the best interests of WestJet.

Director Selection

The Corporate Governance and Nominating Committee (“CGN Committee”) reviews the Board and Committee appointments of all Directors at least annually and makes recommendations to the full Board on these matters.

WestJet’s Board brings a broad base of business experience and knowledge to the Corporation. The following chart shows the skills matrix, sets out the various skills and areas of expertise determined to be essential to ensure appropriate strategic direction and oversight and the skills possessed by the Director nominees.

Skill/Experience	Director Nominees with Senior Level Experience
Airline Industry	4
Financial/Accounting	5
Marketing/Communication Industry	1
Retail/Consumer Based Industry	2
Corporate Finance	5
Oil & Gas	3
Cyclical Industry Experience	7
Corporate Governance Experience	7
Audit Experience	9
Compensation Experience	9
Current or Previous CEO of Public Company	5
Other Public Board Experience	9
Extensive US/International Experience	2
Legal Experience	1

Character and behavioural qualities including credibility, integrity and communication skills are also taken into account when recruiting new directors.

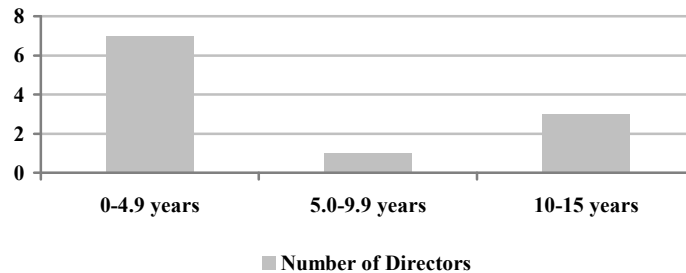
The Board has invited WestJet's employee association, the Pro-Active Communication Team (“PACT”), to nominate a representative to join the Corporation’s Board. Subject to Board approval, Management presently intends to put forward a PACT nominee as one of the proposed Directors each year.

The CGN Committee maintains an informal evergreen list of potential Directors. The list is comprised of people who the Committee feels would be appropriate to be asked to join the Board if or when there is a Board vacancy to be filled and who complement the current skills matrix. The Board has also used a third party advisor to assist in recruitment of new Directors, but relies primarily on recommendations from its current Board members after review of the competencies and skills of nominees it believes are required for the Board.

Since its 2009 Annual and Special Meeting, WestJet has conducted one director search. A vacancy arose upon Murph Hannon's retirement from the Board. Mr. Hannon had brought his experience in cyclical industries, audit, compensation, oil and gas and investments to WestJet's Board. In conducting the search to fill his position, the CGN Committee reviewed his skills and the skills matrix for the existing Board to determine which skills were most desirable in a new candidate. The Committee then reviewed the skills matrix related to the evergreen list to determine which candidates could deliver these skills. It was determined that Mr. Brenneman possessed similar skills to those of Mr. Hannon and additionally could bring experience in international business. Mr. Brenneman joined the WestJet Board on September 8, 2009.

Board Tenure

WestJet's average Board tenure is 5.9 years. The following chart shows the dispersion of tenure among the Directors as at March 15, 2010:



WestJet maintains a corporate retirement policy but does not have a mandatory retirement age for Directors.

Director Orientation and Continuing Education

All newly appointed Directors receive orientation and education regarding WestJet's operations from the Corporation's senior Management and the Chairman. In addition to briefings from Management on the operations, each new Director receives an orientation manual from the Corporate Secretary containing information regarding WestJet's constituting documents, policies, position mandates, compensation plans, insurance program, financial reports and disclosure documents. The Corporate Secretary also makes the prior year's Board minutes available to the new Director so they may acquaint themselves with the issues currently being considered by the Board.

Because many issues of relevance to our Board are unique to airlines, many of the on-going Director education opportunities are offered internally. Management regularly provides updates to the Directors on issues of relevance to the airline industry and relevant legal developments and background briefings regarding key business decisions.

The following chart outlines examples of continuing education events offered internally to our Directors in 2009:

Date	Topic	Hosted/Presented by	Attended by
February 2009	Regulatory Update	VP Government Relations	CGNSE Committee
April 2009	Airline Industry Overview, Domestic Market Review, Transborder and International Market Review, Financial Performance and Planning	WestJet Executive Team	Board of Directors
May 2009	Revenue Management –Principles and Strategy	Director - Revenue	Board of Directors
May 2009	Proposed Amendments to Corporate Governance Disclosure	Legal	CGNSE Committee
August 2009	IFRS Overview	Ernst & Young	Audit Committee
August 2009	Aviation Emissions Trading	VP Government Relations	CGNSE Committee
November 2009	Pandemic Preparedness	Management, CGNSE Committee	Board of Directors
November 2009	Say on Pay Overview	Legal	Compensation Committee

In addition, WestJet encourages its Directors to attend talks, seminars, workshops and conferences to update and enhance their skills and knowledge to enable them to carry out their roles effectively as Directors in discharging their responsibilities regarding corporate governance, operational and regulatory issues. The Directors are reimbursed for their reasonable expenses in connection with attending any such professional development activities.

Independence

The Board considers whether or not each Director is “independent” in accordance with *National Policy 58-201—Corporate Governance Guidelines* and section 4.1 of *National Instrument 52-110—Audit Committees*. Under these provisions an independent Director is a Director who has no direct or indirect material relationship with WestJet. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the Director's independent judgment. Individuals who have been executive officers or employees of the Corporation during the preceding three years are deemed not to be independent.

The Board has determined that eight of its 11 current Directors are “independent”. Of the three non-independent Directors:

- Mr. Beddoe is not independent because he has been the Executive Chairman of WestJet within the last three years;
- Mr. Durfy is not independent because he is currently the President and Chief Executive Officer of WestJet; and
- Mr. Hougan is not independent because he is the Corporation's PACT (an employee association) nominee and has been a WestJet pilot for the preceding 11 years.

Similarly, eight of its 11 proposed Director nominees are “independent.” As the newly appointed President and CEO of WestJet, Mr. Saretsky will not be “independent”.

The Board of Directors does not have an independent Director as Chairman. Rather, it has a Lead Director and a procedure for the independent Directors to operate independent of Management. The Board has adopted a fixed in-camera agenda item for each Board and committee meeting, during which independent Directors, under the direction of the Lead Director or committee chair, meet without any members of Management or non-independent Directors present.

Director Assessments

Biannually, the Board conducts a Board and committee assessment process in which each Director responds to a detailed survey, which is summarized and presented to the Board. The survey covers issues such as the effectiveness and structure of the Board, operation of meetings and the effectiveness of committees. If any weaknesses are identified, they are dealt with by the Board. In alternate years, the Board conducts a peer evaluation process, based upon interviews with each of the Directors conducted by the Chairman.

The Board of Directors conducts an annual review of the Chief Executive Officer for the purposes of assessing his performance during the preceding year and to establish corporate objectives for the forthcoming year.

Board and Committee Meetings Held and Attendance

The table below sets out Director attendance at Board and Committee meetings held in 2009.

	Board (9 meetings)		Audit (5 meetings)		Compensation (5 meetings)		CGNSE (4 meetings)		Overall Attendance	
	#	%	#	%	#	%	#	%	#	%
Beddoe⁽¹⁾	8	89	4	80	5	100	4	100	21 of 23	91
Bolton	9	100	5	100			4	100	18 of 18	100
Brenneman⁽²⁾	2	100			1	100			3 of 3	100
Durfy⁽³⁾	9	100	4	80	5	100	4	100	22 of 23	96
Godfrey⁽⁶⁾	6	67					3	75	9 of 13	69
Hannon⁽⁴⁾	4	100			2	100			6 of 6	100
Hougan	7	78							7 of 9	78
Allan Jackson	9	100	5	100	5	100	4	100	23 of 23	100
Barry Jackson⁽⁵⁾	5	71			3	100	1	100	9 of 11	82
Matthews	9	100	5	100			4	100	18 of 18	100
Pollock	8	89	5	100	5	100			18 of 19	95
Scace	9	100	5	100			4	100	18 of 18	100

Notes:

- (1) As Chairman, Mr. Beddoe attends all committee meetings in an ex officio capacity.
- (2) Mr. Brenneman was appointed to the Board effective September 8, 2009.
- (3) As CEO, Mr. Durfy attended all committee meetings. Mr. Durfy will resign from the Board effective April 1, 2010.
- (4) Mr. Hannon resigned from the Board effective June 30, 2009.
- (5) Mr. Barry Jackson was appointed to the Board effective February 24, 2009.
- (6) Mr. Godfrey resides in Australia. In those instances, such as special meetings, where Mr. Godfrey is unable to travel to Canada for the meetings, the time change presents a formidable challenge to his telephonic participation. However, WestJet believes that he brings unique airline experience to our Board which would not be readily available in Canada given the competitive nature of our business.

Director Compensation

Fees

Each independent Director is currently paid an annual retainer of \$30,000. Directors who are officers or employees of the Corporation do not receive annual retainers. For each meeting of the Board or of a committee of the Board, a fee of \$1,250 is paid to each non-management Director who attends in person or by phone. The Director who is a nominee of PACT receives regular meeting fees, however, Management Directors do not receive meeting fees. The Directors are also reimbursed for their reasonable expenses in connection with all meetings.

In addition, the Chairman of the Board receives an annual retainer of \$100,000, the Lead Director receives an annual retainer of \$20,000, the Chairman of the Audit Committee receives a \$15,000 annual retainer and the Chairmen of the Compensation Committee, the CGN Committee and the Safety, Health

and Environment (“SH&E”) Committee each receive a \$7,000 annual retainer. Annual Board and Committee retainers are paid quarterly, in arrears, and are pro-rated for partial service, if appropriate.

Independent Directors are also entitled to book confirmed personal travel for themselves and their spouses on WestJet flights at current nominal employee stand-by fares plus applicable taxes and airport fees.

Deferred Share Units (“DSUs”)

In February 2007, a DSU plan was approved as an alternative form of compensation for independent Directors. Under the plan, eligible Directors may elect to receive all or part of their retainer(s) and fees as DSUs. However, it is mandatory that Directors who have not met their minimum required shareholdings within the time allotted take a minimum of 25% of their Directors’ compensation in DSUs. The number of DSUs issued to Directors will be equal to the portion of the Director’s compensation for a fiscal quarter to be satisfied by DSUs divided by the closing price of the Common Voting Shares on the second to last trading day of that quarter.

A DSU is a bookkeeping entry that tracks the value of one Common Voting Share. DSUs are settled by a cash payment after the Director leaves the Board, providing for an ongoing alignment of interests between a Director and the Shareholders during the Director’s term of service. The cash payment equals the number of DSUs held by the Director times the closing price of the Common Voting Shares on the date of redemption.

Under the terms of the plan, DSUs awarded will vest immediately upon grant and will not be subject to satisfaction of any requirements as to any minimum period of membership on the Board. No amount will be paid and no additional DSUs will be granted to a Director to compensate for a downward fluctuation in the fair market value of the Common Voting Shares. In the event cash dividends are paid to holders of Common Voting Shares, additional DSUs will be granted to holders of DSUs in numbers calculated by dividing the dividends that would have been paid if the DSUs granted as at the record date for the dividend had been Common Voting Shares by the closing price for Common Voting Shares on the trading day immediately prior to the date of payment. Notwithstanding any election by a Director under the plan, the Committee may, in its sole discretion, decline to award DSUs to a Director, in which case the Director would receive his Director compensation in cash.

Summary Compensation Table - Directors

The following table summarizes the total compensation earned by each Director in 2009. As CEO, Sean Durfy does not earn fees for serving as a Director. His executive compensation for 2009 is disclosed in the summary compensation table for Executives on page 49:

Name	Year	Fees Earned (\$)	DSUs (\$) ⁽¹⁾	Option-Based Awards (\$)	All Other Compensation (\$)	Total (\$)
Clive J. Beddoe ⁽²⁾	2009	\$ 98,151	–	–	\$ 275,000	\$ 373,151
	2008	–	–	–	\$ 350,000	\$ 350,000
Hugh Bolton	2009	–	\$ 67,500	–	–	\$ 67,500
	2008	–	\$ 54,235	–	–	\$ 54,235
Ron Brenneman ⁽³⁾	2009	\$ 13,125	–	–	–	\$ 13,125
	2008	n/a	n/a	n/a	n/a	n/a
Brett Godfrey	2009	\$ 41,250	–	–	–	\$ 41,250
	2008	\$ 32,962	–	–	–	\$ 32,962
Murph N. Hannon ⁽⁴⁾	2009	\$ 22,500	–	–	–	\$ 22,500
	2008	\$ 40,462	–	–	–	\$ 40,462

Name	Year	Fees Earned (\$)	DSUs (\$) ⁽¹⁾	Option-Based Awards (\$)	All Other Compensation (\$)	Total (\$)
Donald A. Hougan ⁽⁵⁾	2009	\$ 8,750	–	\$ 10,299	\$ 272,511	\$ 291,560
	2008	\$ 8,750	–	\$ 10,302	\$ 248,392	\$ 267,444
Allan W. Jackson	2009	–	\$ 80,750	–	–	\$ 80,750
	2008	–	\$ 58,479	–	–	\$ 58,479
Barry Jackson ⁽⁶⁾	2009	–	\$ 36,445	–	–	\$ 36,445
	2008	n/a	n/a	n/a	n/a	n/a
Wilmot L. Matthews	2009	–	\$ 59,500	–	–	\$ 59,500
	2008	–	\$ 52,971	–	–	\$ 52,971
L.M. (Larry) Pollock	2009	\$ 52,500	–	–	–	\$ 52,500
	2008	\$ 45,462	–	–	–	\$ 45,462
Arthur R.A. Scace	2009	\$ 26,250	\$ 26,250	–	–	\$ 52,500
	2008	\$ 23,356	\$ 23,356	–	–	\$ 46,712

Notes:

- (1) DSUs are granted quarterly on the last trading day of the quarter. Amounts presented above are equal to the grant date fair value. The number of DSUs issued to Directors is equal to the percentage of the compensation elected or required to be received in DSUs divided by the closing Common Voting Share price for the trading day immediately prior to the date of grant.
- (2) On February 10, 2009, Mr. Beddoe relinquished his role as Executive Chairman of WestJet in favour of acting solely as Chairman. As compensation for this transition, Mr. Beddoe is to receive \$25,000 per month, effective February 2009, for a period of five years.
- (3) Mr. Brenneman was appointed to the Board effective September 8, 2009.
- (4) Mr. Hannon resigned from the Board effective June 30, 2009.
- (5) Mr. Hougan is an employee of WestJet and the PACT representative on the Board of Directors. As part of his employment, he receives a salary, Options and amounts pursuant to the Profit Plan and ESPP. The amount presented above for Mr. Hougan's option based awards is equal to the grant date fair value calculated based on the Black-Scholes valuation technique.
- (6) Mr. Barry Jackson was appointed to the Board effective February 24, 2009.

Incentive Plan Awards***Outstanding share-based awards and option-based awards***

The following table shows all share-based and option-based awards held by Directors, other than Sean Durfy, and that were outstanding as at December 31, 2009. Non-employee Directors are not eligible for option-based awards and therefore the non-employee Directors are not included in this chart. DSUs vest at the time of grant and are therefore not included in this table.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽¹⁾	Number of Shares or Units that have Not Vested (#)	Market or Payout Value of Share-Based Awards that have Not Vested (\$) ⁽²⁾
Clive J. Beddoe	109,983	\$ 11.82	May 04, 2010	\$ 62,690	16,779	\$ 207,892
	44,248	\$ 16.43	May 08, 2011			
Donald A. Hougan	9,729	\$ 11.82	May 04, 2010	\$ 5,546	–	–
	1,823	\$ 16.43	May 08, 2011			
	1,966	\$ 16.68	May 06, 2012			
	2,689	\$ 12.49	May 12, 2013			

Notes:

- (1) The value of unexercised in-the-money Options was calculated based on the difference between the market value of the securities underlying the instruments at December 31, 2009, and the exercise price of the Option. The market value used is equal to the December 31, 2009 closing Common Voting Share price of \$12.39. Out-of-the-money Options are excluded from the calculation.
- (2) The market or payout value of share-based awards that have not vested was calculated by multiplying the number of awards that have not vested by the December 31, 2009 closing Common Voting Share price of \$12.39.

Incentive Plan Awards – Value vested or earned during the year

The following table shows the value of equity-based awards that vested and non-equity incentive plan compensation earned by Directors, other than Sean Durfy, during the year ended December 31, 2009.

Name	Option-Based Awards – Value Vested During the Year (\$)⁽¹⁾	Share-Based Awards – Value Vested During the Year (\$)⁽²⁾	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Clive J. Beddoe	\$ 72,589	–	–
Hugh Bolton	–	\$ 67,500	–
Ron Brenneman	–	–	–
Brett Godfrey	–	–	–
Murph N. Hannon ⁽³⁾	–	–	–
Donald A. Hougan ⁽⁴⁾	–	–	\$ 9,346
Allan M. Jackson	–	\$ 80,750	–
Barry Jackson	–	\$ 36,445	–
Wilmot L. Matthews	–	\$ 59,500	–
L.M. (Larry) Pollock	–	–	–
Arthur R.A. Scace	–	\$ 26,250	–

Notes:

- (1) The value vested during the year of Option-based awards is equal to the dollar value that would have been realized if the Options had been exercised on the vesting date. This was calculated based on the difference between the market value of the securities underlying the instruments on the vesting date and the exercise price of the Option. Market value is equal to the closing price of Common Voting Shares on the day immediately prior to the vesting date. Out-of-the-money Options are excluded from the calculation.
- (2) The value vested during the year of share-based awards is equal to the dollar value realized upon vesting of share-based awards. DSUs vest immediately at the time of grant. Accordingly the amount presented in the table is equal to the number of units granted times the grant price.
- (3) Mr. Hannon resigned from the Board effective June 30, 2009.
- (4) Mr. Hougan earned the non-equity incentive plan compensation amount in the scope of his employment from the Profit Plan.

Share Ownership Guidelines (“SOG”) for Directors

The Board believes it is important that Directors demonstrate their commitment to WestJet’s stewardship through Share ownership. Therefore Directors, with the exception of the PACT representative Director, are required to own, directly or indirectly, Shares and/or DSUs valued at five times the annual Board retainer within three years of their appointment. Directors who have not yet met minimum required shareholdings within the allotted time must take a minimum of 25% of their Directors’ compensation in DSUs.

Ownership levels will be measured annually. Once a threshold has been met, the ownership level will not be deemed to change as a result of year over year changes in the share price. In the event of a dramatic and/or unexpected significant change in the value of Shares, the Compensation Committee may review and recommend revised schedules to meet the SOG requirements.

Name	Equity Ownership at March 16, 2009		Equity Ownership at March 15, 2010		Net Change in Share Ownership		Equity at Risk ⁽¹⁾	Equity at Risk as a Multiple of Director Retainer	Meets Share Ownership Requirement ⁽²⁾
	Common Shares	DSUs/RSUs ⁽⁷⁾	Common Shares	DSUs/RSUs ⁽⁷⁾	Common Shares	DSUs/RSUs ⁽⁷⁾			
Beddoe	4,416,049	–	4,314,849	–	(101,200)	–	\$ 59,846,956	1,994.9	Yes
Bolton	5,000	4,454	5,000	10,544	–	6,090	\$ 215,595	7.2	Yes
Brenneman ⁽³⁾	n/a	n/a	10,000	–	10,000	–	\$ 138,700	n/a	n/a
Godfrey	–	–	13,700	–	13,700	–	\$ 190,019	6.3	Yes
Hougan ⁽⁴⁾	18,302	–	17,542	–	(760)	–	\$ 243,308	n/a	n/a
Allan Jackson	21,000	5,271	21,000	12,544	–	7,273	\$ 465,255	15.5	Yes
Barry Jackson ⁽⁵⁾	n/a	n/a	–	3,261	–	3,261	\$ 45,230	n/a	n/a
Matthews	3,406,371	4,403	3,406,371	9,772	–	5,369	\$ 47,381,903	1,579.4	Yes
Pollock	11,975	–	11,975	–	–	–	\$ 166,093	5.5	Yes
Saretsky ⁽⁶⁾	n/a	n/a	11,626	11,855	11,626	11,855	\$ 325,681	n/a	n/a
Scace	15,000	1,933	15,000	4,302	–	2,369	\$ 267,719	8.9	Yes

Notes:

- (1) The “Equity At Risk” amount is shown as at March 15, 2010, based on the total number of Shares and DSUs held by the Director at a Share price of \$13.87.
- (2) The share ownership requirement of \$150,000 is based on a \$30,000 annual Board retainer.
- (3) Mr. Brenneman was appointed to the Board effective September 8, 2009. He will have until September 8, 2012 to meet his share ownership requirements.
- (4) Mr. Hougan is the PACT representative Director, and therefore, he is exempt from the Director minimum shareholding requirements.
- (5) Mr. Barry Jackson was appointed to the Board effective February 24, 2009. He will have until February 24, 2012 to meet his share ownership requirements.
- (6) As President and CEO, Mr. Saretsky’s share ownership guideline is three times his base salary. He will have until 2014 to meet this requirement. See also “Share Ownership Guidelines” on page 61.
- (7) Independent Directors may elect to receive all or part of their compensation as DSUs. Executives are eligible to receive RSUs pursuant to the 2008 ESU plan.

Additional Disclosure Relating to Directors

To the knowledge of our Executive Officers and Directors, none of our Directors is, or has been in the last ten years, a director, chief executive officer or chief financial officer of any company that: (a) was subject to an order that was issued while that person was acting in that capacity; or (b) was subject to an order that was issued after the Director ceased to be a director, chief executive officer or chief financial officers and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Other than as disclosed below, to the knowledge of our Executive Officers and Directors, none of our Directors is, or has been in the last ten years, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. In addition, none of such persons has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromises with creditors, or had a receiver manager or trustee appointed to hold his assets.

Mr. Beddoe served as a director of Darian Resources Ltd. (“Darian”), a private company, until his resignation in October 2009. Subsequent to Mr. Beddoe’s resignation, on February 12, 2010, Darian obtained an order under the *Companies’ Creditors Arrangement Act* (“CCAA”). The CCAA proceedings are currently pending and the outcome of the proceedings are unknown at this time.

Board Committees

The Board of Directors has an Audit Committee, a Compensation Committee, a CGN Committee and has recently formed a Safety, Health and Environment (“SH&E”) Committee. Each Committee reports to the Board with their recommendations for final approval.

In accordance with its Charter, the Audit Committee reviews and recommends to the Board approval of the interim consolidated financial statements, approves the scope and timing of the annual audit by the Corporation's independent external auditors and reviews and recommends to the Board the approval of the annual audited consolidated financial statements. The Committee also reviews and assesses with the independent external auditors the Corporation's internal financial control systems and corporate approval procedures. The Audit Committee meets at least four times each year, which meetings include discussions with the auditors in the absence of Management. The Audit Committee is currently composed of five independent Directors: Mr. Bolton (Chair), Mr. Allan Jackson, Mr. Matthews, Mr. Pollock and Mr. Scace. Mr. Bolton is a member of three audit committees of public companies including WestJet. The Board has determined that such service in no way impairs Mr. Bolton's ability to effectively serve on WestJet's Audit Committee. In 2009, the Audit Committee met 5 times.

The CGN Committee is responsible for proposing new nominees to the Board and for assessing the effectiveness of the Board, committees or the contribution of individual Board members. This Committee regularly reviews various governance matters relating to the Board and the Corporation, including the composition of existing committees and the requirements for the creation of any other appropriate committees of the Board. The CGN Committee is currently composed of five independent Directors: Mr. Matthews (Chair), Mr. Bolton, Mr. Allan Jackson, Mr. Pollock and Mr. Scace. The CGN Committee met 4 times in 2009.

The Compensation Committee reviews Director and senior officer compensation policies and salaries, all grants of option-based and share-based awards, administration of the Corporation's 2009 SO Plan, ESPP, 2008 ESU Plan and, if approved at this Meeting, the KEP Plan, all for making recommendations to the Board. Currently the Compensation Committee is composed of four independent directors, only one of whom is currently the CEO of another issuer: Mr. Allan Jackson (Chair), Mr. Brenneman, Mr. Barry Jackson and Mr. Pollock. The Compensation Committee met 5 times during 2009.

In February 2010, the Board created a Safety, Health and Environmental Committee (the “SH&E Committee”). The responsibilities of the SH&E Committee had previously been within the scope of the CGN Committee. In regard to safety, the SH&E Committee will review the processes in place regarding health and occupational safety compliance, contingency planning and the Safety Management System and will monitor the adequacy of safety reporting systems. In regard to environmental matters, the SH&E Committee will review processes of environmental risk management systems, communication of and compliance with corporate policies and regulatory requirements and monitor the adequacy of reporting systems regarding environmental compliance. The SH&E Committee is currently composed of three independent Directors: Mr. Barry Jackson (Chair), Mr. Brenneman and Mr. Godfrey. The Committee's inaugural meeting will take place in May 2010.

The following table sets out committee memberships for all Directors as at March 15, 2010.

COMMITTEE MEMBERS as at March 15, 2010				
	Audit	Compensation	CGN	SH&E
<i>Non-Independent</i>				
Beddoe ⁽¹⁾				
Durfy ⁽²⁾				
Hougan ⁽³⁾				
<i>Independent</i>				
Bolton	Chair		✓	
Brenneman		✓		✓
Godfrey				✓
Allan Jackson	✓	Chair	✓	
Barry Jackson		✓		Chair
Matthews	✓		Chair	
Pollock	✓	✓	✓	
Scace	✓		✓	

Notes:

- (1) As Chairman, Mr. Beddoe attends all committee meetings in an ex officio capacity.
- (2) As CEO, Mr. Durfy attended all committee meetings. Mr. Durfy will resign from the Board effective April 1, 2010.
- (3) As the PACT representative, Mr. Hougan does not attend committee meetings.

EQUITY COMPENSATION PLANS

Stock Option Plan

As approved by the Shareholders at the last annual general and special meeting, WestJet currently has in place the 2009 SO Plan. At the Meeting, Shareholders will be asked to consider and if deemed advisable, to ratify and approve amendments to the 2009 SO Plan to increase the number of shares reserved for issuance to 12,449,168 (approximately 8.6% of the Shares outstanding as at March 15, 2010).

Purpose and General Information

The Corporation has various arrangements with its most senior personnel and its pilots whereby they may receive an annual grant of options (“Options”) to purchase Shares of the Corporation. The Options are granted as a means of aligning shareholder and employee interests and to provide a long-term performance related incentive for eligible employees. Subject to regulatory requirements, the terms and conditions of Options granted under the 2009 SO Plan are determined by the Board based on recommendations from the Compensation Committee. Grants are made annually to plan participants at varying levels of participation consistent with the individual’s level of responsibility. Annual grants over a number of years, priced at market value at the date of grant, mitigate the effect of share price fluctuations. Options granted in high share price environments are offset by those granted in years when share prices are lower. Employees receiving Options thereby receive them at the average price over time and are therefore motivated to focus on the long-term growth in value of the Corporation and not to be distracted by short term market or sector fluctuations.

Eligible Participants

Pursuant to the terms of the 2009 SO Plan, Officers and certain employees of WestJet are eligible to participate in the Plan. Non-employee Directors are not eligible for the grant of Options.

Shares Issued and Issuable

The 2009 SO Plan currently limits the number of Shares that may be issued on exercise of Options to 12,242,897 Shares (approximately 8.5% of the Shares outstanding as at March 15, 2010), of which 504,047 Shares (0.3% of the Shares outstanding as at March 15, 2010) have been issued on exercise of Options. Options to purchase up to 7,965,179 Shares (5.5% of the Shares outstanding as at March 15, 2010) are outstanding with 3,773,671 additional Shares remaining available for issuance under reserve. In 2009 a total of 3,011,148 Options were granted, representing 2.0% of the outstanding Shares of WestJet as at December 31, 2009.

If approved by Shareholders at the Meeting, the amendment to the 2009 SO Plan would limit the number of Shares that may be issued on exercise of Options to 12,449,168 Shares (8.6% of the Shares outstanding as at March 15, 2010). If the amendment is approved, Options representing up to 4,483,989 Shares or (approximately 3.1% of the total issued and outstanding Shares as at March 15, 2010) would remain available for issuance under this plan.

Any change to the maximum number of shares issuable under our option plans is subject to approval by Shareholders. The number of Shares issuable pursuant to Options granted under the 2009 SO Plan shall not exceed, at any time, as to Options granted to insiders, 10% of the outstanding Shares or as to Options granted to any one Optionee, 5% of the outstanding Shares for any Optionee. In addition, the number of Shares issued pursuant to Options granted under the 2009 SO Plan or any other equity-based compensation arrangements of the Corporation, within a one year period, to all insiders collectively shall not exceed 10% of the outstanding Shares or to any individual insider shall not exceed 5% of the outstanding Shares.

Exercise Price

The exercise price of Options granted pursuant to the 2009 SO Plan is determined by the Board of Directors of the Corporation at the time of grant and currently is equal to the fair market value as determined by taking the weighted average trading price of the Shares on the TSX (or if not listed on the TSX, then such other stock exchange as the Shares may then be listed and as designated by the Board) for the five trading days immediately prior to the date of grant.

Term and Vesting

Options granted pursuant to the 2009 SO Plan have a term not to exceed five years, subject to any applicable Blackout Period, and vest in such manner as determined by the Board of Directors of the Corporation. Holders may not monetize Options granted other than through exercising the Option and selling the Shares.

If the expiry date for any Option falls within a Blackout Period or within 10 business days from the expiration of a Blackout Period (such Options to be referred to as "Restricted Options"), the expiry date of such Restricted Options shall be extended to the date that is the 10th business day following the end of the Blackout Period.

For the purposes of the 2009 SO Plan, "Blackout Period" means the period of time when, pursuant to any policies of WestJet, any securities of WestJet may not be traded by certain persons as designated by WestJet, including any holder of an Option.

Notwithstanding the foregoing, the Board or may, in its sole discretion and notwithstanding what is provided in any Option agreement in respect of any Options granted, extend the period of time that Options may be exercised following cessation of employment, provided such period does not extend beyond the five year expiry date (subject to extension in the case of a Blackout Period) of such Options.

Cessation of Entitlement to Options

Under the 2009 SO Plan, if an optionee ceases to be an officer or employee of the Corporation or of a subsidiary or affiliated company for any reason (other than in accordance with Corporation's policies for voluntary or mandatory retirement), all outstanding Options held by the optionee will expire on the earlier of the expiry date or 120 days following the time he ceases to be an officer or employee. In the event of retirement in accordance with the Corporation's policies for voluntary or mandatory retirement, all outstanding Options held by the optionee expire on the earlier of their expiry date or 24 months from the date of retirement, subject to any extended periods prescribed by the Corporation.

Assignability of Options

Options granted under the 2009 SO Plan are not transferable or assignable other than to personal representatives of the estate of the deceased optionee.

Minimizing Share Dilution

In order to minimize the level of dilution resulting from the 2009 SO Plan, the Corporation introduced a "cashless" settlement alternative, whereby the value of the Options at the time of exercise may be settled by the surrendering of the Options for "Substituted Rights" and the immediate conversion of those rights into Shares. Cashless settlement can be chosen by the Optionholder or, the Board, in its discretion, may require the Optionholder to choose "cashless" settlement. The result of the "cashless" settlement is that dilution is significantly decreased by reducing the number of Shares that are issued under the 2009 SO Plan. As opposed to issuing a number of Shares equivalent to the number of Options that have been exercised, the number of Shares to be issued is determined by the following formula:

$$\text{Number of Shares} = \frac{\text{Number of Common Shares under the exchanged options} \times (\text{Current Price} - \text{Exercise Price})}{\text{Current Price}}$$

where:

- (a) "Current Price" means the closing price of our Shares immediately prior to the exercise of the Options; and
- (b) "Exercise Price" means the exercise price of the stock option.

By way of illustration, an optionee exercising 1,000 Options with an Exercise Price of \$15.00 per Share when the Current Price is \$20.00 per Share would receive, on a "cashless" exercise, 250 Shares $((1,000 \times (20 - 15))/20)$. The actual number of Shares issued under such "cashless" exercise is substantially reduced from the number of Shares which WestJet reserved and would otherwise have to issue under the relevant option plan (250 Shares as opposed to 1,000 Shares in the example above).

Take-over Bid

In the event of a take-over bid, the Corporation may satisfy any outstanding Options by delivering to the Optionee, in Shares, the difference between the exercise price of unexercised Options and the weighted average trading price for the Shares for the five trading days prior to the date of issuance of Shares.

Adjustments in the Event of a Merger or Sale

In the event that WestJet enters into any transaction or series of transactions whereby WestJet or all or substantially all of WestJet's undertaking, property or assets would become the property of any other corporation, partnership, trust or other person (referred to herein as a "Successor") whether by way of takeover bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, WestJet and the Successor shall execute such instruments and do such things as are necessary, if any, to establish that upon the consummation of such transaction the Successor will have

assumed all the covenants and obligations of WestJet under the 2009 SO Plan and any Options outstanding in a manner that substantially preserves and does not impair the rights of the holders of Options under the 2009 SO Plan in any material respect (including the right to receive shares, securities, cash or other property of the Successor in lieu of Shares upon the subsequent vesting of Options), provided that in the case of the right to receive cash or other property in lieu of Shares, the Board may cancel the “out-of-the-money” Options for nominal consideration. Any such Successor shall succeed to, and be substituted for, and may exercise every right and power of WestJet under the 2009 SO Plan and such Options.

Amending the SO Plan

The administrator of the 2009 SO Plan may at any time suspend or discontinue the 2009 SO Plan and, subject to applicable regulatory approval, may amend or revise the terms of the 2009 SO Plan, provided that, without the prior approval of the Shareholders, no amendment or revision may: (a) increase the number of Common Shares issuable pursuant to the 2009 SO Plan or lower the limitations on maximum grants to one Optionee or insiders; (b) reduce the exercise price of any outstanding Option; (c) extend the term of any outstanding Option beyond the original Expiry Date of such Option; (d) change the eligible participants; (e) permit an Optionee to transfer or assign Options to a new beneficial Optionee other than in the case of death of the Optionee; (f) change the amendment provisions provided in the SO Plan; or (g) alter the terms of any Options under the 2009 SO Plan without the consent of such optionee. No amendment of the Options previously granted may be made without the consent of the optionee if it adversely alters or impairs the rights of the optionee.

Amendments Made by the Board

Since the last AGM, the Board made several housekeeping amendments to the 2009 SO Plan, including:

- providing the Board with discretion to delegate administration of the plan to the CEO or EVP-People;
- disclaimer as to any rights of employees to future grants;
- providing the Administrator with general authority as to the terms and conditions of grants;
- clarifying that the maximum exercise period is subject to any applicable blackout restriction;
- providing the Administrator with the ability to extend the exercise period after cessation of employment, provided that such period does not extend beyond the original Expiry Date;
- providing the Administrator with the authority to apply performance related conditions to the vesting of Options;
- clarifying that the Board may adjust type of securities to be issued on the exercise of Options;
- providing that the plan will be governed by Alberta law; and
- providing WestJet with the ability to withhold taxes from any exercise of Options.

2009 SO Plan Amendment

Shareholder approval is being sought to: (1) to increase the number of Shares reserved for issuance to 12,449,168 (approximately 8.6% of the Shares outstanding as at March 15, 2010); and (2) to amend the 2009 SO Plan to provide that the Board may not change the expiry date for any individual grant benefiting an insider of the Corporation without Shareholder approval.

If the amendment to the 2009 SO Plan is not approved by Shareholders of the Corporation, the Board may be required to determine alternate means of compensation for certain officers and employees in the event that the unamended 2009 SO Plan does not permit the grant of sufficient Options for such purpose.

Executive Share Unit Plan

The 2008 ESU Plan authorizes the Corporation's Board to grant awards ("Unit Awards") of restricted units ("Restricted Awards" or "RSUs") and performance units ("Performance Awards" or "PSUs") to Executives (as defined in the 2008 ESU Plan) of the Corporation with such Unit Awards to be settled in the form of Shares of the Corporation. The principal purposes of the 2008 ESU Plan are to retain and attract qualified Executives, to promote a proprietary interest in WestJet by such persons and to encourage such persons to remain in the employ of WestJet and put forth maximum efforts for the success of the business of WestJet, and to focus Management of WestJet on operating and financial performance and long-term shareholder return.

At the Meeting, Shareholders will be asked to consider and if deemed advisable, to ratify and approve amendments to the 2008 ESU Plan to increase the number of shares reserved for issuance from 550,000 to 1,000,000. All other features of the 2008 ESU Plan will remain unchanged.

All capitalized terms used in this section shall have the meaning assigned to them in the 2008 ESU Plan.

Eligible Participants

Eligible participants under the 2008 ESU Plan include such officers of WestJet and any WestJet Entity (as defined below) and any other employees of WestJet or a WestJet Entity determined by the Board.

Shares Issued and Issuable

The 2008 ESU Plan currently provides that the maximum number of Shares that are reserved for issuance from time to time pursuant to Unit Awards shall be 550,000 (approximately 0.4% of the Shares outstanding as at March 15, 2009). Under the proposed amendment to the ESU Plan, this number would be increased to 1,000,000 (approximately 0.7% of the Shares outstanding as at March 15, 2010). As at March 15, 2010 Units representing up to a maximum of 505,007 Shares are outstanding (approximately 0.3% of the Shares outstanding as at March 15, 2010); Units representing a maximum additional 136,815 Shares (approximately 0.1% of the Shares outstanding as at March 15, 2010) have been conditionally granted, pending Shareholder approval of the amendments. To date, 40,159 Shares have been issued under the 2008 ESU Plan.

The aggregate number of Shares issuable to any single WestJet executive pursuant to outstanding Unit Awards shall not exceed 2% of the issued and outstanding Shares, calculated on an undiluted basis. In addition, the number of Shares issuable to insiders (as defined by the TSX for this purpose) at any time, under all security based compensation arrangements of WestJet, shall not exceed 10% of the issued and outstanding Shares and the number of Shares issued to insiders, within any one year period, under all security based compensation arrangements of WestJet, shall not exceed 10% of the issued and outstanding Shares.

Exchange Ratio for Performance Awards

Under the Unit Award Agreements for Performance Awards, the number of Shares to be issued to the Executive pursuant to the Performance Awards shall be multiplied by a multiplier based on the Performance Vesting conditions, relative to year-over-year improvements on the Corporation's diluted earnings per share (based on a three year compounded annual growth rate). Such ratios are discussed more extensively in the "Statement of Executive Compensation" section of this Circular.

Adjustment on Payment of Dividends

The 2008 ESU Plan provides for an adjustment to the number of Shares to be issued pursuant to Unit Awards by an amount equal to a fraction having as its numerator the amount of the dividend per Share for each dividend payment during the term of the Unit Awards and having as its denominator the fair market value of the Shares on the day prior to issue. For this purpose, fair market value is the weighted average trading price of the Shares on the TSX for the five trading days immediately preceding such date. No dividends have been paid or declared on any of WestJet's Shares since the date of incorporation.

Term and Vesting

Under the terms of the 2008 ESU Plan, WestJet Executives may be granted Restricted Awards and Performance Awards. Each Restricted Award will vest in accordance with applicable time vesting conditions (relating to the continued service with WestJet or controlled entity of WestJet such as a subsidiary, partnership or trust (a "WestJet Entity") determined by the Board and which may be graduated by percentages of a Unit Award, including a percentage in excess of 100%) and the holder will be entitled to exercise such Restricted Award so as to be issued the number of Shares pursuant to such vesting conditions designated in the Restricted Award. Each Performance Award will vest in accordance with applicable Performance Vesting conditions determined by the Board, and the holder will be entitled to exercise such Performance Award so as to be issued the number of Shares pursuant to such vesting conditions designated in the Performance Award. For this purpose, Performance Vesting conditions mean any performance-related conditions in respect of vesting, which may include performance of WestJet or a WestJet Entity, WestJet Shareholder return or otherwise and which may be graduated by percentages of a Unit Award, including a percentage in excess of 100%. Pursuant to the 2008 ESU Plan, the WestJet Board may in its sole and absolute discretion impose additional or different vesting conditions to the time vesting or Performance Vesting conditions.

The number of Shares covered by each Unit Award is determined by dividing the dollar amount of the Unit Award made by the Board by the Fair Market Value of a Share on the grant date.

The 2008 ESU Plan provides that the maximum expiry date for a Unit Award grant shall not exceed five years from the Grant Date, subject to extension in the event of a leave of absence (not to exceed one year from the Unit Award expiry date) or in the event of a blackout period imposed upon a grantee, in which case such expiry date shall be extended to the date which is ten business days from the date that the blackout period ends. For this purpose, a blackout period is a period of time imposed by the Board pursuant to WestJet's insider trading and disclosure policies on certain designated persons during which those persons may not trade in any securities of WestJet.

Under the terms of the current Unit Award agreements, Restricted Awards vest on the third anniversary of the date of grant and expire no later than the fifth anniversary of the date of grant.

Cessation of Entitlement to Unit Awards

In the event of both (a) a Change of Control (as defined in the 2008 ESU Plan), and (b) the termination without cause of an Executive subsequent to such Change of Control, all outstanding Unit Awards then held by the Executive immediately vest in full on the basis of a 100% percentage and expire on the earlier of their expiry date or 60 days from the date of the Executive's termination.

Pursuant to the 2008 ESU Plan, unless otherwise determined by the Board or unless otherwise provided in a Unit Award agreement pertaining to a particular grant or any written employment agreement, if a grantee ceases to be an Executive as a result of termination for cause or voluntary resignation (excluding retirement), effective as of the earlier of the expiry date applicable to the Unit Award and the date that is

60 days after the Cessation Date (the date of the termination of employment of the Executive, regardless of any notice) all outstanding Unit Award agreements under which Unit Awards have been made to such grantee, whether Performance Awards or Restricted Awards, shall be immediately terminated and all rights to receive Shares thereunder shall be forfeited by the grantee and no right shall exist to exercise Unit Awards that have not vested prior to the Cessation Date.

If a grantee ceases to be an Executive as a result of being terminated without cause, effective as of the earlier of the Expiry Date and the date that is 60 days after the Cessation Date, and notwithstanding any other severance entitlements or entitlement to notice or compensation in lieu thereof, all outstanding Unit Awards then held by the grantee, whether Performance Awards or Restricted Awards, shall forthwith vest in full on the basis of 100% and may be exercised by the grantee before or on the earlier of the expiry date or 60 days from the Cessation Date.

If a grantee ceases to be an Executive as a result of such grantee's retirement, death or disability, effective as of the earlier of the Expiry Date and the date that is two years after the Cessation Date (as defined in the 2008 ESU Plan) all outstanding Unit Award agreements under which Unit Awards have been made to such grantee, whether Performance Awards or Restricted Awards, shall be immediately terminated and all rights to receive Shares thereunder shall be forfeited by the grantee.

Assignability of Unit Awards

Except in the case of death, the right to receive Shares pursuant to a Unit Award granted to a WestJet Executive may only be exercised by such Executive personally. No assignment, sale, transfer, pledge or charge of a Unit Award, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Unit Award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such Unit Award shall terminate and be of no further force or effect, provided that the grantee may transfer or assign the rights of a Unit Award to minor children or minor grandchildren or the spouse of the grantee, or a trust or holding company of which the grantee is a trustee or director and the beneficiaries or shareholders of which are a combination of the grantee, grantee's spouse or grantee's minor children or minor grandchildren, in accordance with such requirements as the Board of Directors may from time to time determine.

Adjustments to Unit Awards

In the event of: (i) any change in the Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; (ii) that any rights are granted to Shareholders to purchase Shares at prices substantially below Fair Market Value (as defined in the 2008 ESU Plan); or (iii) that, as a result of any recapitalization, merger, consolidation or other transaction, the Shares are converted into or exchangeable for any other securities, then, in any such case, the Board shall make such adjustments to the 2008 ESU Plan, to any Unit Awards and to any agreements in respect of Unit Awards outstanding under the 2008 ESU Plan as may be appropriate in the circumstances (including changing the Shares covered by each Unit Award into other securities on the same basis as Shares are converted into or exchangeable for such securities in any such transaction) to prevent dilution or enlargement of the rights granted to participants under the 2008 ESU Plan.

Amending the ESU Plan

WestJet has the right to amend from time to time the terms and conditions of the WestJet 2008 ESU Plan or any Unit Awards granted under it, or terminate the WestJet 2008 ESU Plan, by resolution of the WestJet Board without shareholder approval. However, the 2008 ESU Plan or any Unit Award granted under it, may not be amended without Shareholder approval to (a) increase the number of Shares under

the 2008 ESU Plan issuable on exercise of Unit Awards, (b) extend the expiry date of any outstanding Unit Award, (c) permit a grantee to transfer or assign Unit Awards other than as permitted under the 2008 ESU Plan, (d) increase the number of Shares that may be issued to insiders above the restrictions set forth in the Plan, (e) extend the maximum expiry date under the 2008 ESU Plan beyond five years, (f) add additional categories of grantees, or (g) amend the amendment provisions of the 2008 ESU Plan to delete any of the foregoing matters requiring Shareholder approval. No amendment of the Plan or Unit Awards granted pursuant to the 2008 ESU Plan may be made without the consent of the grantee, if it adversely alters or impairs the rights of the grantee in respect of any Unit Award previously granted to such grantee under the 2008 ESU Plan.

Conditional Grants of Unit Awards

At its meeting on February 16, 2010, the Board conditionally approved grants of Unit Awards to the following Executives:

Name	Performance Award Units (PSUs) (#)	Restricted Award Units (RSUs) (#)	Market Value of Shares on the Date of Grant (\$/Share)⁽¹⁾	Number of Shares to be Reserved (#)⁽²⁾	Expiry Date
Vito Culmone Executive Vice-President, Finance and Chief Financial Officer	12,161	9,121	\$ 13.98	27,363	Feb. 25, 2015
Robert Cummings Executive Vice-President, Marketing and Sales	12,161	9,121	\$ 13.98	27,363	Feb. 25, 2015
Dr. Hugh Dunleavy Executive Vice-President, Strategy and Planning	12,161	9,121	\$ 13.98	27,363	Feb. 25, 2015
Ferio Pugliese Executive Vice-President, People and Culture	12,161	9,121	\$ 13.98	27,363	Feb. 25, 2015
Gregg Saretsky Executive Vice President, Operations	12,161	9,121	\$ 13.98	27,363	Feb. 25, 2015

Notes:

- (1) The Market Value of Shares on the date of the grant is equal to the weighted average trading price of Shares for the five days preceding the date of grant, February 25, 2010.
- (2) The number of Shares reserved is equal to the sum of the number of Restricted Units awarded and one and a half times (the maximum payout) the number of Performance Units awarded.

Under the 2010 Unit Award Agreements for Performance Awards, the number of Shares to be issued to the Executive pursuant to the Performance Awards shall be multiplied by a multiplier based on the Performance Vesting conditions, relative to year-over-year improvements on the Corporation's diluted earnings per share (based on a three year compounded annual growth rate). In regard to the 2010 conditional awards, if the improvement is less than 6%, the multiplier is zero; if the improvement is 6%, the multiplier is 0.5; if the improvement is 12%, the multiplier is 1; and if the improvement is 16% or greater, the multiplier is 1.5. For improvements between these levels, a sliding scale Performance Award adjustment will be applied.

In the event the amendments to 2008 ESU Plan and the ratification of the Conditional Unit Award Grants are not approved by Shareholders at the Meeting, WestJet will consider the provision of comparable compensation to the Executives in the form of cash or by other appropriate arrangements.

Key Employee and Pilot Restricted Share Unit Plan (“KEP Plan”)

Under the recently completed Pilot Agreement, WestJet’s pilots have the ability to select to take a portion of their total compensation in the form of Options or RSUs. A portion of the Company’s vice presidents’ and employee directors’ compensation will also be issued under the KEP Plan.

Under the Plan, the participants will be granted the number of RSUs determined by dividing the value of the grant by the five day weighted average Share price. In the case of the pilots, this grant will be pro rated based on the number of months in the preceding year that the eligible pilot has been employed with WestJet. The RSUs will vest over a period of two or three years. On the vest date, the RSUs will be exchanged for an equivalent number of Shares or cash equivalent to the fair market value of that number of shares, at the discretion of the Board.

Eligible Participants

Eligible participants under the KEP Plan are key employees at the vice president or employee director level, and each pilot, employed by WestJet or any WestJet Entity which is designated by the Board, in its sole discretion, as eligible for participation in the KEP Plan.

Shares Issued and Issuable

The KEP Plan allows the Company to meet its obligations by purchasing Shares on the market, issuing Shares from treasury or settling the awards in cash. Additionally the Company may purchase the Shares and hold the same in trust at any point prior to the vesting date of the awards, thereby mitigating the risk of Share price fluctuations.

The KEP Plan provides that the maximum number of Shares that are reserved for issuance from time to time pursuant to Unit Awards shall be 1,000,000 (approximately 0.7 % of the Shares outstanding as at March 15, 2010). No Unit Awards and no Shares to date have been issued under the KEP Plan. The aggregate number of Shares issuable to any one participant pursuant to outstanding Unit Awards shall not exceed 2% of the issued and outstanding Shares, calculated on an undiluted basis. In addition, the number of Shares issuable to insiders (as defined by the TSX for this purpose) at any time, under all security based compensation arrangements of WestJet, shall not exceed 10% of the issued and outstanding Shares and the number of Shares issued to insiders, within any one year period, under all security based compensation arrangements of WestJet, shall not exceed 10% of the issued and outstanding Shares.

Exchange Ratio for RSUs

The number of Shares to be issued to a participant pursuant to the Unit Awards shall be a 1:1 ratio.

Adjustment on Payment of Dividends

The KEP Plan provides for an adjustment to the number of Shares to be issued pursuant to Unit Awards by an amount equal to a fraction having as its numerator the dividends declared that would have been paid to the participant if the Units had been Shares on the dividend record date by the fair market value on the dividend payment date. For this purpose, fair market value is the weighted average trading price of the Shares on the TSX for the five trading days immediately preceding such date. No dividends have been paid or declared on any of WestJet’s Shares since the date of incorporation.

Term and Vesting

Under the terms of the KEP Plan the Units shall vest no later than December 15 of the third calendar year following the end of the calendar year in which the services to which the grant of such Units relate. The Board has the discretion to permit accelerated vesting of Units.

Subject to the terms of the KEP Plan, the Board may determine other terms or conditions of any RSUs, and shall specify the material terms thereof in the applicable agreement in respect of a Unit Award. Such additional terms and conditions may include any additional conditions with respect to the vesting of RSUs, in whole or in part, to become vested or the payment of cash or the provision of Shares under the KEP Plan including conditions in respect of: (i) the market price of the Shares; (ii) the return to holders of Shares, with or without reference to other comparable companies; (iii) the financial performance or results of WestJet; (iv) other performance criteria relating to WestJet; (v) ownership of Shares by a participant in the KEP Plan; (vi) restrictions on the re-sale of Shares acquired under the KEP Plan including escrow arrangements; and (vii) any other terms and conditions the Board may, in its discretion, determine with respect to vesting or the acceleration of vesting. The conditions may relate to all or a portion of the RSUs in a grant and may be graduated such that different percentages (which may be greater or lesser than one hundred per cent (100%)) of the RSUs in a grant will become vested depending on the extent of satisfaction of one or more such conditions. Any additional criteria as set forth above shall be set forth in the agreement for such grant of Unit Awards. The Board may, in its discretion, subsequent to the Grant Date of a RSU, waive any term or condition or determine that it has been satisfied subject to Applicable Law.

Cessation of Entitlement to Unit Awards

The KEP Plan does not provide for an automatic acceleration of Units or any other special treatment upon the occurrence of a change of control, provided however that the Board in its sole discretion may, by resolution, permit all unvested RSUs to vest immediately and to be paid out to a participants account.

Pursuant to the KEP Plan, unless otherwise determined by the Board or unless otherwise provided in a Unit Award agreement pertaining to a particular grant or any written employment agreement, if a grantee ceases to be an employee as a result of termination for cause or voluntary resignation (excluding retirement), effective as the Cessation Date (the date of the termination of employment of the Executive, regardless of any notice) all outstanding Unit Award agreements under which Unit Awards have been made to such grantee shall be immediately terminated and all rights to receive Shares thereunder shall be forfeited by the grantee and no right shall exist to exercise Unit Awards that have not vested prior to the Cessation Date.

If a grantee ceases to be an employee as a result of being terminated without cause, death or disability, effective as of the Cessation Date, and notwithstanding any other severance entitlements or entitlement to notice or compensation in lieu thereof, all outstanding Unit Awards then held by the grantee shall forthwith vest and be settled on or before or on the earlier of 120 days from the Cessation Date or December 31 of the in which the Cessation Date took place.

If a grantee ceases to be an employee as a result of such employee's retirement, all Units credited to the participant's account shall immediately vest and the participant shall receive a payment as soon as practical following the Vesting Date and, in any event, no later than December 31 of the calendar year in which the Vesting Date occurs.

Assignability of Unit Awards

Except in the case of death, the right to receive Shares pursuant to a Unit Award granted to a WestJet employee may only be exercised by such employee personally. No assignment, sale, transfer, pledge or charge of a Unit Award, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Unit Award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such Unit Award shall terminate and be of no further force or effect, provided that the grantee may transfer or assign the rights of a Unit Award to minor children or minor grandchildren or the spouse of the grantee, or a trust or holding company of which the grantee is a trustee or director and the beneficiaries or shareholders of which are a combination of the grantee, grantee's spouse or grantee's minor children or minor grandchildren, in accordance with such requirements as the Board of Directors may from time to time determine.

Adjustments to Unit Awards

In the event of: (i) any change in the Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; (ii) that any rights are granted to Shareholders to purchase Shares at prices substantially below Fair Market Value (as such term is defined in the KEP Plan); or (iii) that, as a result of any recapitalization, merger, consolidation or other transaction, the Shares are converted into or exchangeable for any other securities, then, in any such case, the Board shall make such adjustments, if any, to the KEP Plan, to any Unit Awards and to any agreement in respect of a Unit Award outstanding under the KEP Plan as may be appropriate in the circumstances (including changing the Shares covered by each RSU into other securities on the same basis as Shares are converted into or exchangeable for such securities in any such transaction) to prevent dilution or enlargement of the rights granted to participants under the KEP Plan.

Amending the KEP Plan

WestJet has the right to amend from time to time the terms and conditions of the WestJet KEP Plan or any Unit Awards granted under it, or suspend or terminate the WestJet KEP Plan, by resolution of the WestJet Board without shareholder approval. However, the KEP Plan or any Unit Award granted under it, may not be amended without Shareholder approval to: (a) increase the number of Shares under the KEP Plan issuable on exercise of Unit Awards; (b) change the definition of eligible participant to add categories of Eligible Participants; (c) add new forms of compensation involving the issuance of Shares by WestJet; (d) permit a grantee to transfer or assign Unit Awards other than as permitted under the KEP Plan; (e) increase the number of Shares that may be issued to insiders above the restrictions set forth in the Plan; or (f) amend the amendment provisions of the KEP Plan to delete any of the foregoing matters requiring Shareholder approval. No amendment of the Plan or Unit Awards granted pursuant to the KEP Plan may be made without the consent of the grantee, if it adversely alters or impairs the rights of the grantee in respect of any Unit Award previously granted to such grantee under the KEP Plan.

Employee Share Purchase Plan

Eligible Participants

All employees, including executive Management, are encouraged to contribute a portion of their salary, to a maximum of 20%, to the Employee Share Purchase Plan (“ESPP”). As at December 31, 2009, approximately 84% of WestJet's active employees participate in this plan.

WestJet matches each dollar contributed by an employee to the ESPP. Employees who have not exceeded their maximum contribution level may use their Profit Plan payments to “top-up” their ESPP contributions with WestJet matching this “top-up” amount. The significant matching contribution by the

Corporation encourages employees to become “WestJet Owners” and encourages longer term thinking regardless of market or share price fluctuations.

Shares Issued and Issuable

The ESPP provides WestJet the ability to meet its matching obligations either by issuing Shares from treasury or providing the plan administrator with cash to purchase the Shares on the public market. In each case the Voting Shares are issued or purchased at fair market value. The number of Shares issued to any one eligible employee under the ESPP and any other share compensation arrangement shall not exceed 5% of the issued and outstanding Shares. The maximum number of Shares together with all of WestJet’s other share compensation arrangements: (a) reserved for issuance to Insiders may not exceed 10% of the total Shares; (b) that may be issued to Insiders within a one year period, may not exceed 10% of the total Shares; and (c) that may be issued to any one Insider and associates of such Insider within a one-year period, may not exceed 5% of the total Shares.

The ESPP currently limits the number of Shares that may be issued under the ESPP to 2,892,783 Shares (approximately 2.0% of the Shares outstanding as at March 15, 2010) of which 2,857,037 Shares have been issued (approximately 2.0% of the Shares outstanding as at March 15, 2010). The total remaining reserve of Shares that may be issued under the ESPP is 35,746 (approximately 0.02% of the Shares outstanding as at March 15, 2010).

Vesting

Under the terms of the ESPP, employees are required to hold the Shares purchased on their behalf pursuant to the ESPP for at least one year before they can sell, transfer or otherwise dispose of them. Employees may transfer, withdraw or sell Common Shares purchased under the ESPP four (4) times per year. Should an employee wish to sell Shares which have not been held for at least one year, they may sell them to the ESPP administrator at 50% of the five (5) day weighted average trading price.

Cessation of Entitlement to Awards

A participant must be an employee of WestJet to participate in the ESPP. Upon cessation of employment, the participant will be entitled to transfer all of their acquired Shares under the ESPP but will cease to be eligible to continue his/her participation.

Assignability of Awards

Upon the completion of the one year hold period, the employee may transfer or sell the Shares at his or her discretion.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under the Corporation's equity compensation plans as at December 31, 2009.

Plan Category		Number of Securities to be Issued Upon Exercise of Outstanding Options, and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders	2009 SO Plan ⁽¹⁾	11,521,844	\$ 13.42	706,767
	ESPP ⁽²⁾	–	–	35,746
	2008 ESU Plan ⁽³⁾	430,375	–	79,466
TOTAL		11,952,219		821,979

Notes:

- (1) The 2009 SO Plan of the Corporation provides for a “cashless” exercise of Options at the election of the employee or the Corporation. See “Stock Option Plan”, above, regarding details of the “cashless” exercise. In cases of a “cashless” exercise, a lesser number of Shares will be issuable than the number of Options exercised. The Corporation will utilize its ability to require a “cashless” exercise when deemed necessary in order to manage the available Shares issued under its SO Plans.
- (2) Shares can either be (i) issued from treasury at the weighted average trading price of the Common Shares on the TSX for the five trading days preceding the issuance; or (ii) purchased through open market purchases. See also “Employee Share Purchase Plan” on page 38.
- (3) The number of Shares reserved is equal to sum of the number of Restricted Units awarded and one and a half times (the maximum payout) the number of Performance Units awarded.

STATEMENT OF EXECUTIVE COMPENSATION

BACKGROUND

WestJet has developed a compensation strategy built on offering a competitive compensation package which is oriented toward developing a culture of ownership. The compensation program is designed to attract, motivate, reward and retain the talented employees necessary to deliver on WestJet's strategic objectives. Applying this compensation philosophy equally to executive and non-executive personnel has allowed us to maintain one of the country's most admired corporate cultures and to continue offering our customers unparalleled guest service.

EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

Compensation Objectives and Philosophy

WestJet's pay practices at the executive level are designed to be prudent and well-aligned with our culture and values. Our executive compensation policy is structured to reduce the fixed cost component of compensation, by paying below market median base salaries while enhancing potential overall compensation through incentive-based plans tied to corporate performance.

Base salaries are set at a level that is sustainable and rational even when cost pressures in the industry are high. We do not fund company cars, private clubs, pension plans or other expensive perquisites for our executive officers (“**Executives**”). Executives include all “Named Executive Officers” (as defined in Form 51-102F6 – *Statement of Executive Compensation of the Corporation*).

Our compensation program provides for a significant portion of each Executive's annual compensation in the form of Option grants and restricted awards that vest over time, and performance awards earned upon the achievement of pre-determined goals. We expect the value of these grants to reflect our performance over the longer term and believe that the inclusion of "at risk" equity elements in our compensation program will motivate Executives to set and achieve goals that drive our long-term success. Because a significant portion of the Executive's salary is "at-risk", during times of strong financial performance by WestJet each Executive's total compensation will be higher than in times of weaker performance. While the Executive's base salary is set below market median, his total compensation package is expected to exceed the median total compensation level in times of strong corporate performance.

Compensation Decision-Making Process

Role of the Compensation Committee and Board

The purpose of the Compensation Committee is to assist the Board in fulfilling its responsibilities by (i) reviewing and making recommendations to the Board on its findings and conclusions on matters relating to the compensation of the Executives and Directors of the Corporation and its subsidiaries in the context of the budget, business plan and competitive environment of the Corporation; and (ii) to conduct/assist in the regular reviews/appraisals of the President and Chief Executive Officer and other members of the Executive team.

The executive compensation program is administered by the Compensation Committee on behalf of the Board. The Compensation Committee makes recommendations to the Board on the compensation of all Executives. Both the Committee and the Board have full discretion over the design, implementation, recommendation and, subject to the plans and agreements in place, the amendment of the executive compensation arrangements. These recommendations are reviewed and considered by the full Board of Directors for approval.

The Compensation Committee is currently composed of Messrs. Allan Jackson (Chairman), Brenneman, Barry Jackson and Pollock. The Compensation Committee annually reviews and recommends the compensation of members of the Executive team, specifically the CEO and Executive Vice-Presidents ("EVPs"), recommends grants of options and awards and reviews and recommends the fees to be paid to Directors. Typically recommendations regarding executive compensation are presented to the Board in February. In addition, the Compensation Committee ensures that the annual performance appraisals for Executives are completed.

The Compensation Committee is comprised of all independent directors. Only one of the current members of the Committee is a sitting CEO. As Chairman, Mr. Beddoe attends the Compensation Committee meetings in an ex officio capacity. In order to ensure an objective process for determining executive compensation, interested Directors excuse themselves from the meeting during discussions or decisions regarding their own executive compensation. Additionally, as required by the Committee mandate, the agenda for each Committee meeting includes an *in camera* session for the independent members.

The Compensation Committee held five meetings during the financial year ended December 31, 2009. The following table outlines the main activities of the Compensation Committee during this period and provides an overview of the work plan of the Committee:

Meeting	Main activities of the Compensation Committee
February 2009	<ul style="list-style-type: none"> • Approval of Chairman of the Board position description • Approval of 2008 short term incentive plan pay out amounts • Approval of the restricted share unit grants and performance share unit grants under the 2008 ESU Plan for the President and CEO and the EVPs for 2009 • Approval of Chairman’s compensation • Review of stress test for executive compensation
May 2009	<ul style="list-style-type: none"> • Approval of the 2009 Stock Option Grant for Senior Management and the Pilot Group in accordance with the Corporation’s 2009 Stock Option Plan • Approval of the Share Ownership Guidelines • Review of stress test for executive compensation
August 2009	<ul style="list-style-type: none"> • Review of final Share Ownership Guidelines • Review of amended Profit Share Plan • Review of pilot agreement • Approval of the retirement proposal for EVP – Corporate Projects
November 2009	<ul style="list-style-type: none"> • Approval of the distribution of profit share • Review of report from Hugessen Consulting regarding the Executive performance share units • Review of report on the Corporation’s short-term incentive plan (“STIP”) • Review of the proposed RSU plan for pilots/VPs/Management Directors • Review of the 2010 Compensation Committee forward agenda • Review of stress test for executive compensation
December 2009	<ul style="list-style-type: none"> • Recommendation of 2010 STIP targets for the CEO, EVPs, and VPs • Recommendation of EPS baselines for 2010 and 2011 PSU grants • Approval of the RSU Plan for key employees and the pilot group • Approval of the revised compensation plans for the VP group • Review of stress test for executive compensation
On-going	<ul style="list-style-type: none"> • Review of developments in governance practice relative to executive and Director compensation • Review of terms of compensation plans

Design of Program and Role of Compensation Consultants

The Company’s executive compensation program is based upon a pay-for-performance policy. The Compensation Committee of the Board of Directors engaged the consulting firm of Hugessen Consulting Inc (“HCI”) to assist in developing the program in 2007. At that time, HCI undertook a market study of competitive pay practices and recommended an executive compensation plan that reflects the interests of key stakeholders.

The Compensation Committee may retain an external compensation consultant to complete a market analysis and provide recommendations where required to ensure executive compensation practices are in line with the agreed policy and to maintain the desired competitive position. In 2009, HCI was retained to perform a review of the performance share unit granting strategy and received a fee of \$43,903 for its services. This is an increase of 76% of the amounts paid in 2008 which were \$25,000. HCI did not perform any other work for WestJet during 2009.

Analysis of Compensation Practices of Competitor Companies

In order to make judgments about elements of executive compensation on a competitive basis, the Compensation Committee has decided that it is appropriate to track a comparator group for executive compensation purposes. The comparators chosen for the market study included:

- Canadian consumer organizations and midsize Alberta companies with revenues of one-half to two times WestJet revenues; and

- Organizations with senior leadership comprised of founding members including a North American (non-legacy) regional carrier group, a U.S. low cost carrier (“LCC”) group and an international LCC group.

The comparator group is comprised of leading customer-facing companies in Canada, including appropriate Alberta companies, and is a primary determinant of total direct compensation. This group is comprised of CanWest Global Communications, Forzani Group Ltd., Lululemon Athletica Inc., Manitoba Telecom Services Inc., Reitmans (Canada) Limited, Canadian Western Bank, Stantec Inc., Tim Hortons Inc., Torstar Corporation, TransAlta Corp. and Transat AT Inc. Though not part of the comparator group, WestJet also monitors the compensation offered by competing airlines, including Air Canada.

While the Compensation Committee uses market surveys and advice of the consultant as guidelines in determining executive compensation, the Committee may consider other factors such as industry practices and economic conditions in making decisions regarding WestJet’s pay practices.

Stress-Testing Executive Compensation

While the Corporation’s short-term compensation program rewards Executives for the current or previous year’s corporate performance, the ultimate value of the long-term compensation program is dependent on the Corporation’s ability to sustain performance over the longer term.

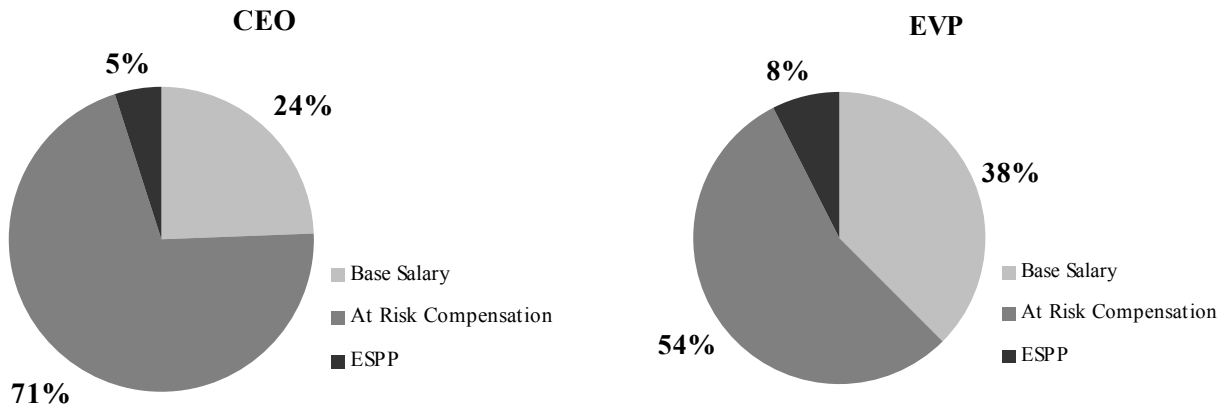
In order to ensure that the Corporation’s long-term compensation program is effective in achieving its intent, the Compensation Committee conducted stress-tests by reviewing scenarios that illustrated the impact of various future corporate performance outcomes on the Executives’ current holdings of Shares and previously awarded and outstanding Options and Restricted Awards. The Committee determined that the intended relationship between pay and performance was appropriate for the Executives and that, in aggregate, the resulting compensation modeled under the various corporate performance scenarios was reasonable, not excessive and delivered the intended differentiation of compensation value based on corporate performance. The Compensation Committee and the Board have discretion to amend the performance criteria. Such performance criteria and stress-testing is reviewed at least annually.

Compensation Elements

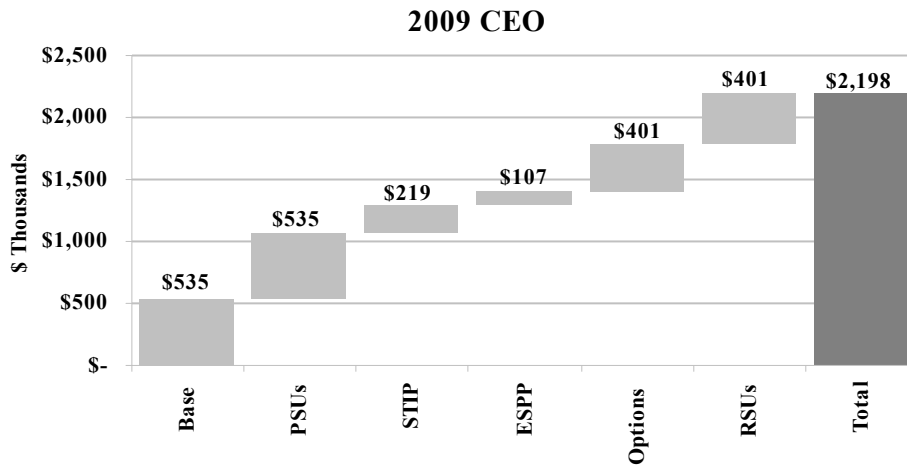
WestJet’s executive compensation program includes a competitive mix of pay elements including base compensation as well as short-term and long-term incentives. Specifically, our executive compensation program includes the following elements:

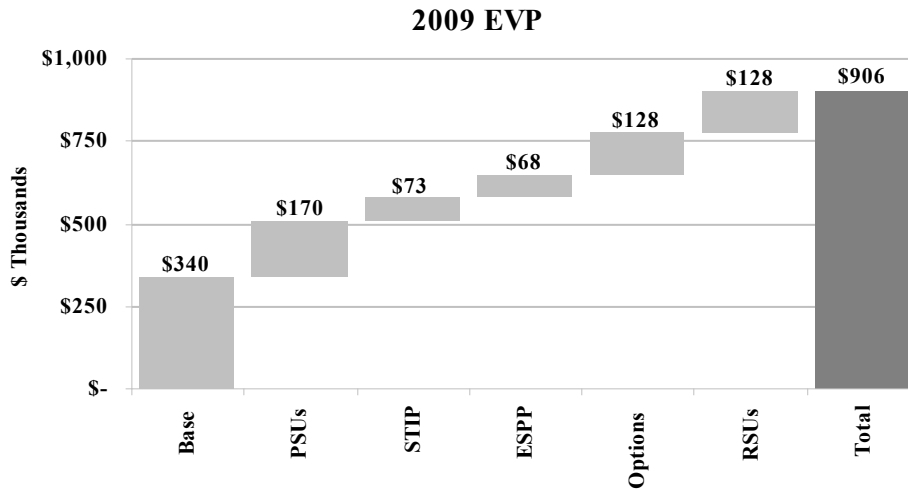
- *Base Compensation:*
 - Annual fixed cash payment (“Base Salary”)
 - Special Equity Plan – Performance Share Units (“PSU”)
- *Short Term Incentives (“STIP”):*
 - Executive Performance Bonus
 - Employee Profit Sharing Plan
- *Employee Share Purchase Plan (“ESPP”)*
- *Long Term Incentives (“LTIP”):*
 - Stock Option Plan
 - Restricted Share Units (“RSU”)

The division of the cash and “at risk” compensation components paid to our CEO and EVPs in 2009, as quantified in the summary compensation chart on page 49, is illustrated in the following charts:



The following illustrates the approximate portion each pay element contributes to the total compensation granted to each Executive’s compensation for 2009. However, it should be noted that the actual value realized by the Executive, if any, from each non-cash element will be dependant on WestJet’s corporate performance. See the table entitled “*Summary of Amounts Actually Received*” on page 51 for a summary of amounts actually received by the Executives in 2009.





Elements of Compensation Plan

Base Compensation

Salary

To determine base salaries, WestJet maintains a framework of job levels based upon internal comparability and external market data. Salaries of senior executive officers are determined utilizing salary survey information from comparator companies. In February of each year, the CEO makes salary recommendations to the Compensation Committee which in turn makes its own recommendation to the Board.

Executive base salaries are currently set below the median salary levels of the comparator group. Specific benchmarks are:

- President & CEO: base salary set approximately 20th percentile (median) of the market comparator group; and
- EVP: base salary set approximately 10th percentile (median) of the market comparator group.

In furtherance of WestJet's egalitarian philosophy of compensation, it is intended that each EVP receive equal compensation. Some of the companies in the market comparator group may have variance in the compensation paid to its EVPs. Therefore our comparison is not a "job title" to "job title" comparison. We use all EVP positions and salaries paid by the members of the market comparator group to formulate the continuum from which we determine the median of EVP base salary. This median is applicable to all of our EVPs.

Salaries for our Executives were increased year over year as a result of increases in the salaries of the comparator group and general market trends.

Special Equity Plan ("SEP")/ PSUs

To compensate the Executives for the fact that the cash portion of their base salaries is set below median, we have created the SEP. The SEP provides for equity grants to Executives in the form of PSUs issued

under the ESU Plan to be made each February following Compensation Committee and Board approval. These PSUs will vest only upon the achievement of the pre-established performance related criteria specified by the Board. This portion of the Executive's compensation plan is at risk as current vesting conditions are predicated on achieving specified annual compounded growth in diluted earnings per WestJet share ("EPS") targets over a three (3) year period. EPS was chosen as a criterion for award of the SEP as it directly ties the compensation realized by the Executives to the return realized by shareholders. Specific criteria will be established annually by the Board, which has been given the discretion to impose different or additional vesting conditions.

While these types of short-term compensation vehicles are used by other corporations to offer a long-term incentive, WestJet's SEP is designed to replace and exceed, if performance conditions are met, that portion of base salary set below the market median. The SEP targets are currently established at 100% of the base salary for the CEO and 50% of the base salary for the EVPs.

Upon the realization of the specified conditions, the PSUs will vest and may be exchanged for Shares of WestJet issued from treasury. The first vesting dates under the PSU plans are scheduled for 2011; however, shares may be issued earlier if an Executive ceases to be employed with WestJet. If minimum thresholds are not met, the PSUs will be forfeited without payment.

Under the 2009 agreements granting PSUs, the specific EPS performance targets and resultant PSU adjustments for PSUs granted in 2009 were as follows:

Diluted EPS Growth (%) ⁽¹⁾⁽²⁾	PSU adjustment
Less than 6%	PSUs will be forfeited
6%	50% of target
12%	100% of target
16% or greater	150% of target

Notes:

- (1) Earnings per share growth is currently measured based on a three year compounded annual growth rate ("CAGR"). The base-line diluted EPS level for PSUs granted in 2009 was \$1.37, based on the 2008 diluted EPS. The base-line diluted EPS level for PSUs conditionally granted in 2010 was \$0.74, based on the 2009 diluted EPS.
- (2) For EPS changes between these levels a sliding scale PSU adjustment will be applied.

In their review of the targets for the upcoming 2010 PSU grants, the Committee decided that for the 2010 PSU award, 2009 diluted EPS of \$0.74 will be used as the base-line and performance thresholds will remain unchanged. However, commencing in 2011, the previous 5 year average EPS will be used as the base-line. The compound growth targets will be established annually.

The increased value of the 2009 PSU grants as compared to those in 2008 are a result of a proportional increase in base salary over the same period.

Short-term Incentive Plans

The STIP is a component of the Executive's cash compensation designed to reward Executives for contributions and exceptional results that improve WestJet's operating margin, thereby tying the success of the individual Executive to the success of the Corporation. The main elements of the STIP are the Executive Performance Bonus and the Employee Profit Sharing Plan.

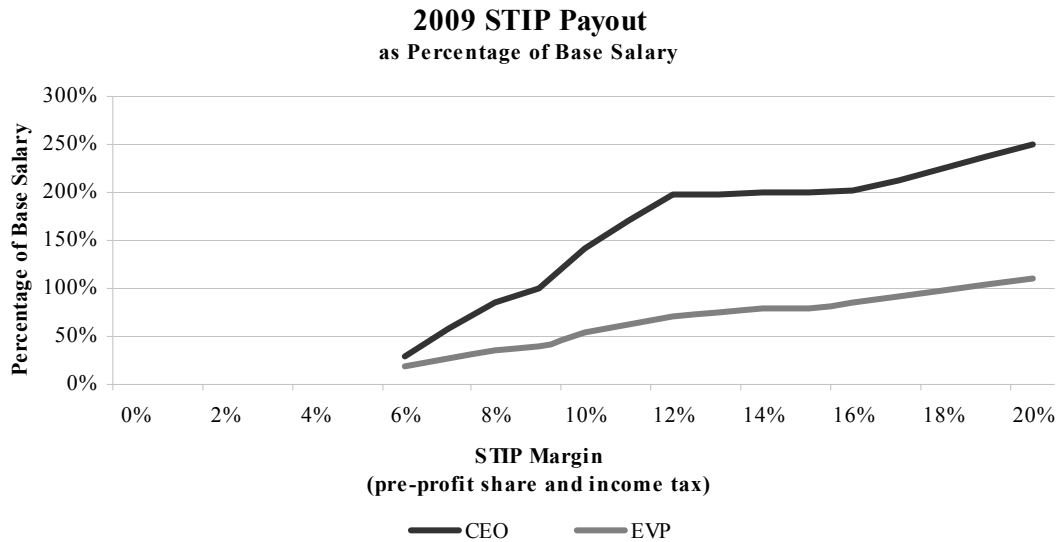
Each Executive has a target STIP award expressed as a percentage of annual base salary. For 2009, STIP targets based on margin performance were as follows:

Margin ⁽¹⁾ (pre- profit share and taxes)	Bonus Target (as % of base salary)	
	CEO	EVPs
Less than 6%	0%	0%
6%	30%	18%
8.5% (Target)	100%	40%
14.5%	200%	80%

Note:

(1) Margin for STIP award is equal to the margin used for the calculation of profit share which is equal to WestJet's margin before profit share and income taxes divided by total revenue.

The following chart shows the sliding scale of potential STIP award percentages based on the actual Margin:



Payments made to each Executive under the Employee Profit Sharing Plan during the relevant year are deducted from total STIP payments to be made to that Executive.

For 2010, the Committee has recommended that the STIP be adjusted to allocate a set percentage of base salary to a target to be set at the discretion of the Committee on a yearly basis based on forecasted margin (pre-profit share and income tax) for the coming year. As a guideline, the Committee decided that the maximum pay-out in any scenario would be 100% of base salary for EVPs and 200% of base salary for the CEO; target would be 60% of base salary for EVPs and 100% of base salary for the CEO. By setting the STIP targets annually rather than hardwiring the targets into an employment agreement, the Committee believes it will be able to more effectively align the payment of the Executives with the expected performance of the Corporation on an annual basis.

Employee Profit Sharing Plan

All employees, including Executives, are eligible for the Employee Profit Sharing Plan (the "Profit Plan"). The Profit Plan is a pivotal element of compensation for all WestJet employees designed to reward employees at a level which is directly proportional to the profit margin being generated by

WestJet from year to year. This approach creates a culture of ownership and encourages all employees to focus on the bottom line of WestJet. For Executives, the Profit Plan effectively funds a portion of their annual STIP payment; the payments made to the Executive under the Profit Plan are deducted from the final STIP payment for each Executive.

Profit Plan payments are made twice a year in May and November. The percentage of annual profits the Board of Directors distributes pursuant to the Profit Plan is based on the Corporation's operating margins before profit sharing and income tax, provided that such percentage shall be no less than 10% and no greater than 20%. The amount of the Corporation's annual contribution under the Profit Plan, if any, is subject to approval by the Board of Directors.

For the fiscal year ended December 31, 2009, the Corporation contributed \$14.7 million to the Profit Plan.

Employee Share Purchase Plan

Executives are encouraged to contribute a portion of their salaries to the ESPP. Contributions to the ESPP are matched by WestJet, to a maximum of 20% of salary. Additional information regarding the ESPP is provided at page 38.

Long-term Incentive Plans

In addition to assisting WestJet in attracting and retaining the best executive level talent, the LTIP is designed to encourage Executives to demonstrate the leadership necessary to drive long-term corporate performance and return to Shareholders. The LTIP is comprised of Options and RSUs.

Based on a review of the LTIP offered by companies in our comparator group, the LTIP levels for 2009 were:

LTIP	CEO (as % of base salary)	EVP (as % of base salary)
Options	75%	37.5%
RSUs	75%	37.5%

Stock Option Plan

Executives participate in the stock option plan. Subject to regulatory requirements, the terms and conditions of Options granted under the stock option plan are determined by the Board based on recommendations from the Compensation Committee. Annual Option grants are made following the annual meeting and are made pursuant to a stock option agreement. Option grants are also made to compensate new hires and promotions. Option grants are discretionary on the part of the Compensation Committee and a grant in respect of one year does not entitle the participant to any future award.

Annual grants over a number of years, priced at market value at the date of grant, mitigate the effect of share price fluctuations. Executives receiving Options receive them at the average price over time and are therefore motivated to focus on the long-term growth in value of the Corporation and not to be distracted by short term market or sector fluctuations.

Option grants to Executives are based on fair market value using the Black-Scholes option pricing model. Options granted in 2009 vest two years from the date of grant and expire four years from the date of grant.

Restricted Share Units

RSUs, granted pursuant to the ESU Plan, are granted annually in February at the discretion of the Board, following recommendations from the Compensation Committee. As with the Options, each Executive is given an RSU agreement detailing the circumstances under which the RSUs have been granted.

RSUs are designed to provide long term incentive and will vest in accordance with applicable time-related vesting conditions related to continued service with WestJet. Again, the Board retains discretion to impose additional or different vesting conditions for the RSUs. Under the terms of the 2009 executive unit award agreements, RSUs vest on the third anniversary of the date of grant and expire no later than the fifth anniversary of the date of grant. Once the RSUs have vested, they may be exchanged for Shares of WestJet issued from treasury.

2009 Summary Compensation Table¹

The following table sets forth the annual and long term compensation granted to the Chief Executive Officer and the Chief Financial Officer, including each individual who has acted in either of those capacities in 2009, and the five next most highly compensated executive officers of the Corporation in 2009² (each, an “Executive”) for the last fiscal year. For a listing of the amounts actually paid to these Executives during 2009, please see the following section entitled “*Summary of Amounts Actually Received*”.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)⁽¹⁾	Option-Based Awards (\$)⁽²⁾	Non-Equity Annual Incentive Plans (\$)⁽³⁾	All Other Compensation (\$)⁽⁴⁾	Total (\$)
Sean Durfy ⁽⁵⁾ President and Chief Executive Officer	2009	\$ 535,000	\$ 936,250	\$ 401,250	\$ 218,922	\$ 107,000	\$ 2,198,422
	2008	\$ 500,000	\$ 875,000	\$ 375,000	\$ 871,000	\$ 100,000	\$ 2,721,000
Vito Culmone ⁽⁶⁾ Executive Vice-President, Finance and Chief Financial Officer	2009	\$ 340,000	\$ 297,500	\$ 127,500	\$ 72,862	\$ 68,000	\$ 905,862
	2008	\$ 325,000	\$ 284,398	\$ 121,877	\$ 205,790	\$ 199,378 ⁽⁶⁾	\$ 1,136,443
Robert Cummings ⁽⁷⁾ Executive Vice-President, Marketing and Sales	2009	\$ 340,000	\$ 297,500	\$ 127,500	\$ 72,862	\$ 68,000	\$ 905,862
	2008	\$ 310,000	\$ 271,269	\$ 116,255	\$ 196,292	\$ 62,000	\$ 955,816

¹ Given the recent changes to the requirements contained in NI 51-102F6 in regard to the Summary Compensation table, WestJet has chosen to provide disclosure under the transition provisions of this instrument which require disclosure of compensation in this chart only for those years ending on or after December 31, 2008. For information regarding the compensation paid to our Executives in prior years, please see the Management Information Circular dated March 13, 2008 which is available on www.sedar.com. Readers are cautioned that such disclosure may not be directly comparable to Summary Compensation Table below.

² As our compensation program is designed to compensate all EVPs equally, we have chosen to include each EVP in our disclosure rather than the required three additional executives.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Annual Incentive Plans (\$) ⁽³⁾	All Other Compensation (\$) ⁽⁴⁾	Total (\$)
Dr. Hugh Dunleavy ⁽⁸⁾ Executive Vice-President, Strategy and Planning	2009	\$ 340,000	\$ 297,500	\$ 127,500	\$ 72,862	\$ 68,000	\$ 905,862
	2008	\$ 310,000	\$ 271,269	\$ 116,255	\$ 196,292	\$ 62,000	\$ 955,816
Ferio Pugliese ⁽⁹⁾ Executive Vice-President, People and Culture	2009	\$ 340,000	\$ 297,500	\$ 127,500	\$ 72,862	\$ 68,000	\$ 905,862
	2008	\$ 281,846	\$ 249,417	\$ 114,381	\$ 180,462	\$ 146,369 ⁽⁹⁾	\$ 972,475
Fred Ring ⁽¹⁰⁾ Executive Vice-President, Corporate Projects	2009	\$ 340,000	\$ 297,500	\$ 127,500	\$ 72,862	\$ 68,000	\$ 905,862
	2008	\$ 310,000	\$ 271,269	\$ 116,255	\$ 196,292	\$ 61,954	\$ 955,770
Gregg Saretsky ⁽¹¹⁾ Executive Vice-President, Operations	2009	\$ 169,807	\$ 74,375	\$ 131,140	\$ 28,893	\$ 117,914 ⁽¹¹⁾	\$ 522,129
	2008	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

- (1) Share-based awards consist of RSUs and PSUs granted during the relevant fiscal year under the 2008 ESU Plan. Amounts presented are equal to the grant date fair value multiplied by the number of units granted. The grant date fair value is equal to the weighted average trading price of the Shares for the five days immediately preceding the date of grant.
- (2) Option-based awards consist of Options granted during the relevant fiscal year under the applicable SO Plan. Amounts presented are equal to the grant date fair value multiplied by the number of units granted. The grant date fair value was calculated using the Black-Scholes valuation technique. The fair value of options granted during the year ended December 31, 2009 and the assumptions used in their determination were as follows: weighted average fair value per option of \$3.82; weighted average risk-free interest rate of 1.7%; weighted average volatility of 39%; expected life of 3.6 years and dividends per share of \$nil.
- (3) All amounts included in non-equity incentive plans represent amounts earned pursuant to the Profit Plan and the Executive Performance Bonus. Payout under both is based on WestJet's margin before profit share and taxes.
- (4) Included in All Other Compensation are amounts contributed by the Corporation pursuant to the ESPP. The maximum contribution under this plan is 20% of the employee's total salary.
- (5) Mr. Durfy joined WestJet on December 1, 2004. He was appointed President of the Corporation on September 7, 2006 and Chief Executive Officer of the Corporation on September 4, 2007. Mr. Durfy is also a Director of the Corporation. However, as a non-independent Director, Mr. Durfy did not receive any fees for serving in that capacity. Effective April 1, 2010, Mr. Durfy will cease acting as President, CEO and Director of WestJet.
- (6) Vito Culmone joined WestJet as Executive Vice-President, Finance and Chief Financial Officer on March 1, 2007. In lieu of a deferred bonus payable by a nominally priced option, the Corporation established a trust of which Mr. Culmone is a beneficiary and which acquired 8,135 Shares (approximately \$120,000 in value at the time of original agreement). The trustee distributed these Shares to Mr. Culmone on or about February 28, 2008, at which time the Shares were valued at \$20.05 each. In addition, the Corporation paid Mr. Culmone a bonus of \$14,378 on February 28, 2008, to off-set the tax on those Shares. A total of \$134,378 for these transactions is included for Mr. Culmone under the column all other compensation for 2008 in the above table.
- (7) Mr. Cummings was appointed Executive Vice-President, Guest Experience & Marketing on September 7, 2006. In 2009, his title was changed to Executive Vice-President, Marketing and Sales. He joined WestJet in March 2005 and from then until September 2006 was Vice-President, Marketing.
- (8) Dr. Dunleavy was appointed Executive Vice-President, Commercial Distribution on September 7, 2006. In 2009, his title was changed to Executive Vice-President, Strategy and Planning. He joined WestJet in January 2005 and from then until September 2006 was Vice-President, Revenue Systems.
- (9) Mr. Pugliese joined WestJet as Executive Vice-President, People on June 11, 2007. In 2009, his title was changed to Executive Vice-President, People and Culture. In lieu of a deferred bonus payable by a nominally priced option, WestJet established a trust of which Mr. Pugliese is a beneficiary and which acquired 5,837 Shares (approximately \$90,000 in value at the time of original agreement). The trustee distributed these Shares to Mr. Pugliese on or about June 10, 2008. A total of \$90,000 for these transactions is included for Mr. Pugliese under the column all other compensation in 2008.
- (10) Mr. Ring was appointed to the WestJet Executive team on September 12, 2002. He joined WestJet in February 2001 working at the airport and in the call centre. He then transitioned to the Training and Development department and more recently spent four and a half years as Executive Vice-President, People before transitioning to his role as Executive Vice-President, Corporate Projects. On February 28, 2010, Mr. Ring retired from WestJet.
- (11) Mr. Saretsky joined WestJet as Vice-President, WestJet Vacations on June 1, 2009 and was named Executive Vice-President, Operations on October 6, 2009. Effective April 1, 2010, Mr. Saretsky will assume the role of President and Chief Executive Officer of WestJet. Prior to joining WestJet, Mr. Saretsky was Executive Vice President of Flight Operations and Marketing for Alaska Airlines. In lieu of a deferred bonus payable by a nominally priced option, WestJet established a trust of which Mr. Saretsky is a beneficiary and which acquired 8,642 Shares (approximately \$100,000 in value at the time of original agreement). A total of \$100,000 for this transaction is included for Mr. Saretsky under the column all other compensation in 2009.

Summary of Amounts Actually Received

The amounts actually paid to the relevant executive, or the “take home pay” of the executive, in the applicable fiscal year are summarized below.

Name and Principal Position	Year	Salary (\$)	Share-Based awards (\$) ⁽¹⁾	Option-Based awards (\$) ⁽²⁾	Non-Equity Annual Incentive Plans (\$) ⁽³⁾	All Other Compensation (\$) ⁽⁴⁾	Total (\$)
Sean Durfy President and Chief Executive Officer	2009	\$ 535,000	–	–	\$ 842,007	\$ 107,000	\$ 1,484,007
	2008	\$ 500,000	–	\$ 72,054	\$ 457,798	\$ 100,000	\$ 1,129,852
Vito Culmone Executive Vice-President, Finance and Chief Financial Officer	2009	\$ 340,000	–	–	\$ 185,978	\$ 68,000	\$ 593,978
	2008	\$ 325,000	–	–	\$ 188,487	\$ 199,378 ⁽⁵⁾	\$ 712,865
Robert Cummings Executive Vice-President, Marketing and Sales	2009	\$ 340,000	–	–	\$ 178,893	\$ 68,000	\$ 586,893
	2008	\$ 310,000	–	–	\$ 166,557	\$ 62,000	\$ 538,557
Dr. Hugh Dunleavy Executive Vice-President, Strategy and Planning	2009	\$ 340,000	–	\$ 5,921	\$ 178,893	\$ 68,000	\$ 592,814
	2008	\$ 310,000	–	–	\$ 166,510	\$ 62,000	\$ 538,510
Ferio Pugliese Executive Vice-President, People and Culture	2009	\$ 340,000	–	–	\$ 166,325	\$ 68,000	\$ 574,325
	2008	\$ 281,846	–	–	\$ 117,369	\$ 146,369 ⁽⁶⁾	\$ 545,584
Fred Ring Executive Vice-President, Corporate Projects	2009	\$ 340,000	–	\$ 3,086	\$ 179,373	\$ 68,000	\$ 590,459
	2008	\$ 310,000	–	–	\$ 165,100	\$ 61,954	\$ 537,054
Gregg Saretsky Executive Vice-President, Operations	2009	\$ 169,807	–	–	\$ 3,684	\$ 17,914	\$ 191,405
	2008	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

- (1) Value determined based on the number of share-based awards exercised multiplied by the closing share price of WestJet’s Common Shares for the day immediately prior to the exercise date.
- (2) Value determined based on the number of Options exercised multiplied by the difference between the exercise price and the closing share price of WestJet’s Common Shares for the day immediately prior to the exercise date.
- (3) All amounts included in non-equity annual incentive plans represent amounts received during the year pursuant to the Profit Plan and the Executive Performance Bonus.
- (4) Included in All Other Compensation are amounts contributed by the Corporation pursuant to the ESPP. The maximum contribution under this plan is 20% of the employee’s total salary.
- (5) In lieu of a deferred bonus payable by a nominally priced option, the Corporation established a trust of which Mr. Culmone is a beneficiary and which acquired 8,135 Shares (approximately \$120,000 in value at the time of original agreement). The trustee distributed these Shares to Mr. Culmone on or about February 28, 2008, at which time the Shares were valued at \$20.05 each. In addition, the Corporation has paid Mr. Culmone a bonus of \$14,378 on February 28, 2008, to off-set the tax on those Shares. A total of \$134,378 for these transactions is included for Mr. Culmone under the column all other compensation for 2008 in the above table.
- (6) In lieu of a deferred bonus payable by a nominally priced option, WestJet established a trust of which Mr. Pugliese is a beneficiary and which acquired 5,837 Shares (approximately \$90,000 in value at the time of original agreement). The trustee distributed these Shares to Mr. Pugliese on or about June 10, 2008. A total of \$90,000 for these transactions is included for Mr. Pugliese under the column all other compensation in 2008.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table shows all share-based and option-based awards held by Executive Officers and outstanding as at December 31, 2009.

Name and Principal Position	Option-Based Awards			Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽¹⁾	Number of Shares or Units that have Not Vested (#) ⁽²⁾	Market or Payout Value of Share-Based Awards that have Not Vested (\$) ⁽²⁾
Sean Durfy President and Chief Executive Officer	33,841	\$ 11.82	May 04, 2010	\$ 22,068	144,773	\$ 891,200
	39,695	\$ 12.32	Nov. 02, 2010			
	35,399	\$ 16.43	May 08, 2011			
	10,476	\$ 19.37	Nov. 14, 2012			
	71,565	\$ 16.68	May 06, 2012			
	104,766	\$ 12.49	May 12, 2013			
Vito Culmone Executive Vice-President, Finance and Chief Financial Officer	4,520	\$ 14.75	Feb. 28, 2011	–	46,287	\$ 284,400
	14,381	\$ 16.43	May 08, 2011			
	23,259	\$ 16.68	May 06, 2012			
	33,290	\$ 12.49	May 12, 2013			
Robert Cummings Executive Vice-President, Marketing and Sales	16,920	\$ 11.82	May 04, 2010	\$ 10,107	46,703	\$ 294,324
	6,608	\$ 12.32	Nov. 02, 2010			
	10,177	\$ 16.43	May 08, 2011			
	22,186	\$ 16.68	May 06, 2012			
	33,290	\$ 12.49	May 12, 2013			
Dr. Hugh Dunleavy Executive Vice-President, Strategy and Planning	16,920	\$ 11.82	May 04, 2010	\$ 10,107	46,703	\$ 294,324
	6,608	\$ 12.32	Nov. 02, 2010			
	10,177	\$ 16.43	May 08, 2011			
	22,186	\$ 16.68	May 06, 2012			
	33,290	\$ 12.49	May 12, 2013			
Ferio Pugliese Executive Vice-President, People and Culture	11,660	\$ 15.50	Aug. 09, 2011	–	43,602	\$ 260,091
	4,455	\$ 14.53	Aug. 07, 2012			
	17,892	\$ 16.68	May 06, 2012			
	33,290	\$ 12.49	May 12, 2013			
Fred Ring Executive Vice-President, Corporate Projects	33,841	\$ 11.82	May 04, 2010	\$ 19,289	45,193	\$ 275,615
	13,275	\$ 16.43	May 08, 2011			
	22,186	\$ 16.68	May 06, 2012			
	33,290	\$ 12.49	May 12, 2013			
Gregg Saretsky Executive Vice-President, Operations	15,724	\$ 11.66	Nov. 11, 2011	\$ 26,519	6,379	\$ 33,874
	20,603	\$ 11.66	Nov. 11, 2011			

Notes:

- (1) The value of unexercised in-the-money Options was calculated based on the difference between the market value of the Shares at December 31, 2009, and the exercise price of the Option. The market value is equal to the December 31, 2009 closing Common Share price of \$12.39. Out-of-the-money Options are excluded from the calculation.
- (2) The market or payout value of share-based awards that have not vested was calculated by multiplying the number of share-based units that have not vested by the December 31, 2009 closing Common Share price of \$12.39. The value and payout of the PSUs is dependant on achieving certain three-year performance targets. As at December 31, 2009, these performance targets have not been achieved and therefore the minimum payout value of \$nil is included in the totals. The number of PSUs is however included in the total number of shares or units that have not vested.

Incentive Plan Awards – Value vested or earned during the year

The following table shows the value of equity-based awards that vested and non-equity incentive plan compensation earned by the Executive Officers during the year ended December 31, 2009.

Name and Principal Position	Option-Based Awards – Value Vested During the Year (\$)⁽¹⁾	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)⁽²⁾
Sean Durfy President and Chief Executive Officer	\$ 22,335	–	\$ 218,922
Vito Culmone Executive Vice-President, Finance and Chief Financial Officer	–	–	\$ 72,862
Robert Cummings Executive Vice-President, Marketing and Sales	\$ 11,167	–	\$ 72,862
Dr. Hugh Dunleavy Executive Vice-President, Strategy and Planning	\$ 11,167	–	\$ 72,862
Ferio Pugliese Executive Vice-President, People and Culture	–	–	\$ 72,862
Fred Ring Executive Vice-President, Corporate Projects	\$ 22,335	–	\$ 72,862
Gregg Saretsky Executive Vice-President, Operations	–	–	\$ 28,893

Notes:

- (1) The value vested during the year of Option-based awards is equal to the dollar value that would have been realized if the Options had been exercised on the vesting date. This was calculated based on the difference between the market value of the securities underlying the instruments on the vesting date and the exercise price of the Option. Market value is equal to the closing Common Share price on the day immediately prior to vesting date.
- (2) Included in non-equity incentive plan compensation – value earned during the year are amounts earned by the Executive for the 2009 fiscal year pursuant to the Profit Plan and the Executive Performance Bonus.

CEO Succession Planning

Over the past couple of years, the Board had been working on the development of a succession plan as part of its normal course of business. During this process, Sean Durfy and the board agreed that given Mr. Durfy's personal situation, the search for a suitable successor should be accelerated.

After much discussion and upon the identification of a successor, the Board accepted Sean Durfy's resignation on mutually agreed upon terms. On March 15, 2010 WestJet announced that Sean Durfy was stepping down as President and CEO and a director of WestJet effective April 1, 2010.

WestJet further announced that Gregg Saretsky, currently WestJet's Executive Vice-President, Operations, will be taking over the role of President and CEO of WestJet effective April 1, 2010. An executive search to fill the Executive Vice-President, Operations role vacated by Gregg Saretsky is underway.

Termination and Change of Control Benefits

The following table summarizes the payments that would be received by each Executive in each circumstance where the Executive ceases to be employed by WestJet. The amounts shown in the table below are calculated based on positions held as at December 31, 2009. These amounts do not include units awarded or compensation changes subsequent to the 2009 year-end. The assumptions underlying the calculations in the following table include:

- For the calculation of the cash severance benefit, the base salary level of the Executive as at December 31, 2009 was used. Actual incentive amounts earned for the 2009 fiscal year were not considered or included in the numbers.
- When applicable, the hypothetical margin used to calculate amounts received as a cash severance benefit was based on the actual 2008 and 2009 margins.
- Amounts received upon acceleration of the Option and Unit Awards vesting dates are based on the December 31, 2009 closing Common Share price of \$12.39. For Options, the value is calculated based on the difference between the \$12.39 and the exercise price of the Option multiplied by the number of qualifying Options. For Unit Awards, the value is calculated by multiplying the number of qualifying Units by the \$12.39.

For the specifics under each type of payout and circumstance for each Executive, refer to the employment contracts and change of control arrangements narrative that follows the table. The actual amount that the Executive could receive in the future as a result of a termination of employment could differ materially from the amounts set forth below as a result of, among other things, changes in our share price, changes in base salary, the timing of the termination event, target bonus amounts and actual bonus amounts, and the vesting and grants of additional equity-based awards.

Name and Principal Position	Termination for Cause (\$)	Termination other than for Cause (\$)	Change of Control (\$)	Retirement (\$)	Resignation (\$)	Death or Disability (\$)
Sean Durfy President and Chief Executive Officer						
Cash Severance Benefit	–	\$ 1,594,300	\$ 1,594,300	\$ 256,800	–	–
Accelerated RSU Vesting	–	\$ 676,915	\$ 676,915	\$ 676,915	–	\$ 676,915
Accelerated PSU Vesting	–	\$ 902,537	\$ 902,537	\$ 902,537	–	\$ 902,537
Accelerated 2007 RSU Vesting	–	\$ 214,285	\$ 214,285	\$ 214,285	–	\$ 214,285
Stock Options	\$ 22,068	\$ 22,068	\$ 22,068	\$ 22,068	\$ 22,068	\$ 22,068
Total	\$ 22,068	\$ 3,410,105	\$ 3,410,105	\$ 2,072,605	\$ 22,068	\$ 1,815,805
Vito Culmone Executive Vice-President, Finance and Chief Financial Officer						
Cash Severance Benefit	–	\$ 781,592	\$ 781,592	–	–	–
Accelerated RSU Vesting	–	\$ 216,837	\$ 216,837	\$ 216,837	–	\$ 216,837
Accelerated PSU Vesting	–	\$ 289,096	\$ 289,096	\$ 289,096	–	\$ 289,096
Accelerated 2007 RSU Vesting	–	\$ 67,563	\$ 67,563	\$ 67,563	–	\$ 67,563
Stock Options	–	–	–	–	–	–
Total	–	\$ 1,355,088	\$ 1,355,088	\$ 573,496	–	\$ 573,496

Name and Principal Position	Termination for Cause (\$)	Termination other than for Cause (\$)	Change of Control (\$)	Retirement (\$)	Resignation (\$)	Death or Disability (\$)
Robert Cummings Executive Vice-President, Marketing and Sales						
Cash Severance Benefit	–	\$ 781,592	\$ 781,592	–	–	–
Accelerated RSU Vesting	–	\$ 213,244	\$ 213,244	\$ 213,244	–	\$ 213,244
Accelerated PSU Vesting	–	\$ 284,326	\$ 284,326	\$ 284,326	–	\$ 284,326
Accelerated 2007 RSU Vesting	–	\$ 81,080	\$ 81,080	\$ 81,080	–	\$ 81,080
Stock Options	\$ 10,107	\$ 10,107	\$ 10,107	\$ 10,107	\$ 10,107	\$ 10,107
Total	\$ 10,107	\$ 1,370,349	\$ 1,370,349	\$ 588,757	\$ 10,107	\$ 588,757
Dr. Hugh Dunleavy Executive Vice-President, Strategy and Planning						
Cash Severance Benefit	–	\$ 781,592	\$ 781,592	–	–	–
Accelerated RSU Vesting	–	\$ 213,244	\$ 213,244	\$ 213,244	–	\$ 213,244
Accelerated PSU Vesting	–	\$ 284,326	\$ 284,326	\$ 284,326	–	\$ 284,326
Accelerated 2007 RSU Vesting	–	\$ 81,080	\$ 81,080	\$ 81,080	–	\$ 81,080
Stock Options	\$ 10,107	\$ 10,107	\$ 10,107	\$ 10,107	\$ 10,107	\$ 10,107
Total	\$ 10,107	\$ 1,370,349	\$ 1,370,349	\$ 588,757	\$ 10,107	\$ 588,757
Ferio Pugliese Executive Vice-President, People and Culture						
Cash Severance Benefit	–	\$ 781,592	\$ 781,592	–	–	–
Accelerated RSU Vesting	–	\$ 210,122	\$ 210,122	\$ 210,122	–	\$ 210,122
Accelerated PSU Vesting	–	\$ 280,138	\$ 280,138	\$ 280,138	–	\$ 280,138
Accelerated 2007 RSU Vesting	–	\$ 49,969	\$ 49,969	\$ 49,969	–	\$ 49,969
Stock Options	–	–	–	–	–	–
Total	–	\$ 1,321,821	\$ 1,321,821	\$ 540,229	–	\$ 540,229
Fred Ring Executive Vice-President, Corporate Projects						
Cash Severance Benefit	–	\$ 781,592	\$ 781,592	\$ 144,092	–	–
Accelerated RSU Vesting	–	\$ 213,244	\$ 213,244	\$ 213,244	–	\$ 213,244
Accelerated PSU Vesting	–	\$ 284,326	\$ 284,326	\$ 284,326	–	\$ 284,326
Accelerated 2007 RSU Vesting	–	\$ 62,371	\$ 62,371	\$ 62,371	–	\$ 62,371
Stock Options	\$ 19,289	\$ 19,289	\$ 19,289	\$ 19,289	\$ 19,289	\$ 19,289
Total	\$ 19,289	\$ 1,360,822	\$ 1,360,822	\$ 723,322	\$ 19,289	\$ 579,230
Gregg Saretsky Executive Vice-President, Operations						
Cash Severance Benefit	–	\$ 781,592	\$ 783,292	–	–	–
Accelerated RSU Vesting	–	\$ 33,874	\$ 33,874	\$ 33,874	–	\$ 33,874
Accelerated PSU Vesting	–	\$ 45,162	\$ 45,162	\$ 45,162	–	\$ 45,162
Stock Options	–	\$ 26,519	\$ 26,519	\$ 26,519	–	\$ 26,519
Total	–	\$ 887,147	\$ 888,847	\$ 105,555	–	\$ 105,555
TOTAL PAYMENTS TO ALL EXECUTIVES	\$ 61,571	\$ 11,075,681	\$ 11,077,381	\$ 5,192,721	\$ 61,571	\$ 4,791,829

Employment Contracts and Change of Control Arrangements

WestJet has agreements in place with the President and Chief Executive Officer and each of the EVPs that provide for the payment of cash compensation, benefits and/or accelerated vesting of equity awards in the event of termination of employment under specified circumstances. Unless otherwise specified, the following disclosure presents the employment contracts as at December 31, 2009 and corresponds to the disclosure in the table above. For the purposes of this section, “Change of Control” is defined as the acquisition of in excess of thirty-three (33%) percent of the Shares of WestJet by another company.

Sean Durfy

Mr. Durfy has a written employment agreement which was entered into on September 4, 2007 and amended on February 22, 2008. On March 15, 2010, WestJet announced that Mr. Durfy would cease acting as President and CEO of WestJet effective as of April 1, 2010. Pursuant to his employment contract, Mr. Durfy has agreed not to compete with WestJet for a period of eighteen (18) months after cessation of his employment.

Mr. Durfy's contract provides that if he had been terminated by WestJet without just cause, he would have received:

Severance: A lump sum payment equal to: (a) two times his annual base salary; (b) fifty percent (50%) of his annual base salary to compensate for loss of employment benefits, perquisites and participation in the ESPP; and (c) a bonus payment equal to forty-eight (48%) percent of his then annual base salary to compensate for loss of participation in the Profit Plan, STIP and any other incentive plans.

Should Mr. Durfy have elected to resign from his position within four (4) months of the occurrence of a Change of Control, he would have received the same severance payments as if he had been terminated without just cause.

Upon retirement in accordance with WestJet policies, Mr. Durfy would have been entitled to receive:

Bonus Payment: A pro-rata bonus payment for the year of retirement equal to forty-eight (48%) percent of his then annual base salary.

In exchange for the specified payments in the above scenarios, Mr. Durfy would be required to execute a full and final release in favour of WestJet.

Had Mr. Durfy elected to resign in the absence of a Change of Control or had Mr. Durfy been terminated for cause, he would not be entitled to any payments other than those required by law.

EVPs

Mr. Culmone has a written employment agreement which was entered into on January 16, 2007 and amended on February 22, 2008. Mr. Cummings and Dr. Dunleavy have written employment agreements which were entered into on September 8, 2006 and amended on February 22, 2008. Mr. Ring has a written employment agreement which was entered into on December 20, 2007 and amended on February 22, 2008. Mr. Pugliese has a written employment agreement which was entered into on April 26, 2007 and amended on February 22, 2008. Mr. Saretsky has a written employment agreement which was entered into on October 1, 2009. Pursuant to the applicable agreement, each of the EVPs has agreed not to compete with WestJet for a period of six (6) months after a termination of his employment.

Each EVP's contract provides that if he were terminated by WestJet without just cause, he would receive:

Severance: A lump sum payment equal to: (a) one and one-half (1.5) times his annual base salary; (b) twenty-five (25%) percent of one and one-half (1.5) times his annual base salary to compensate for loss of employment benefits, perquisites and participation in the ESPP; and (c) a pro rata bonus payment calculated assuming a hypothetical margin based on the average margin for the prior two (2) calendar years to compensate for loss of participation in the Profit Plan, STIP and any other incentive plans.

Should any EVP, other than Mr. Saretsky, elect to resign from his position within four (4) months of the occurrence of a Change of Control, he would receive the same severance payments as if he had been terminated without just cause.

Should a Change of Control occur and should Mr. Saretsky remain employed by WestJet for 12 months thereafter, he would be entitled to a lump-sum payment equal to: (a) one-point-eight-eight (1.88) times his annual base salary to compensate for loss of employment benefits, perquisites and participation in the ESPP; and (b) a bonus payment based on the average bonus for the prior two (2) calendar years to compensate for loss of participation in the Profit Plan, STIP and any other incentive plans.

Upon Mr. Ring's retirement on February 28, 2010, he received a pro rata bonus payment calculated assuming a hypothetical margin based on the average margin for the prior two (2) calendar years to compensate for loss of participation in the Profit Plan, STIP and any other incentive plans. In addition, WestJet has entered into a consulting agreement, effective as of April 1, 2010 with a numbered company owned by Mr. Ring. Pursuant to this agreement, Mr. Ring will provide consulting services to WestJet related to the retrofitting of WestJet's hanger and such other projects as WestJet may request from time to time. Mr. Ring will receive a monthly retainer of \$67,000 for his services. The consulting Agreement will expire on March 31, 2011.

Should an EVP elect to resign in the absence of a Change of Control or should the EVP be terminated for cause, he would not be entitled to any payments other than those required by law.

In exchange for the specified payments in the above scenarios, the EVP would be required to execute a full and final release in favour of WestJet.

All Executive Officers

Each Executive is eligible to hold Options, RSUs and PSUs. The provisions governing the payments related to these programs are contained in the 2009 SO Plan, the 2008 ESU Plan, a cash based 2007 RSU Plan and the related agreements and are common for each Executive. These provisions are as follows:

Options: Currently all outstanding Options are governed by the 2009 SO Plan. Outstanding Options granted in 2006, 2007/2008 and 2009 were granted pursuant to Agreements containing different terms and conditions.

1. 2009 Options – Pursuant to the 2009 Option agreements, the following will apply:
 - a. Retirement: all outstanding Options will vest and will expire on the earlier of the stated expiry date or 24 months after the cessation of employment.
 - b. Permanent disability, Change of Control or termination without just cause: all outstanding Options will vest and will expire on the earlier of the stated expiry date or 120 days after the cessation of employment.
 - c. Death: all outstanding Options will vest and will be exercisable by the estate at any time prior to the expiry date or the 60th day following the death of the Optionee.
 - d. Termination with cause: all outstanding Options will expire on the earlier of the expiry date or 60 days after the termination. Unvested Options will not be accelerated.

2. 2007 & 2008 Options – Pursuant to the 2007 and 2008 Option agreements, the following will apply:

- a. Retirement, permanent disability, Change of Control or termination without just cause: all outstanding Options will vest and will expire on the earlier of the stated expiry date or 60 days after the cessation of employment.
- b. Death: all outstanding Options will vest and will be exercisable by the estate at any time prior to the expiry date.
- c. Termination with cause: all outstanding Options will expire on the earlier of the expiry date or 60 days after the termination. Unvested Options will not be accelerated.

3. 2006 Options – Pursuant to the 2006 Option agreements, the following will apply:

- a. Retirement, permanent disability or change of control³: all outstanding Options will vest and will expire on the earlier of the stated expiry date or 60 days after the cessation of employment.
- b. Death: all outstanding Options will vest and will be exercisable by the estate at any time prior to the expiry date.
- c. Termination with or without just cause: all outstanding Options will expire on the earlier of the expiry date or 60 days after the termination. Unvested Options will not be accelerated.

RSU and PSUs – Both the RSUs and PSUs are governed by the 2008 ESU Plan. The 2008 ESU Plan provides for the following benefits:

- 1. Termination with Cause: All outstanding PSU and RSU Agreements under which RSUs or PSUs have been granted shall be terminated and all rights to receive Shares shall be forfeited on the earlier of the expiry date or 60 days after the termination.
- 2. Termination without Cause: All PSUs and RSUs held shall be vested in full based on a 100% percentage and will expire on the earlier of the expiry date or 60 days after the termination.
- 3. Change of Control⁴: If a Change of Control occurs prior to the vesting date and the Executive's employment is subsequently terminated without cause, all Shares awarded pursuant to any RSUs or any PSUs that have not yet been issued shall be vested in full based on a 100% percentage and will expire on the earlier of the expiry date or 60 days after the termination.
- 4. Death, Permanent Disability or Retirement: Upon the death, permanent disability or retirement of an Executive, all RSUs and PSUs held by such Executive shall be vested in full on the basis of a 100% percentage and the expiry shall be by the earlier of two years from the cessation of employment or the expiry date related to the award.

³ As to the 2006 Option agreements only, change of control means the acquisition of in excess of 50% of the voting shares of WestJet by another operating airline or the acquisition of 66 2/3% of the voting shares of WestJet by another company.

⁴ As defined in the 2008 ESU Plan.

2007 RSU Plan – Cash-settled RSU awards granted in 2007.

1. Termination for Cause: All outstanding Unit Award Agreements under which Unit Awards have been made to such Executive shall be immediately terminated and all unsettled Unit Awards thereunder, whether vested or not, shall be immediately forfeited by the Executive.
2. Termination without Cause: Effective as of the date that is the earlier of 60 days after the Executive's Cessation Date and December 31 of the year that includes the Cessation Date, all Unit Awards shall forthwith vest and shall be settled in favour of the Executive for a Settlement Amount per Unit equal to the Fair Market Value of the Shares on the earlier of the Vesting Date or the Cessation Date, as the case may be.
3. Resignation: Effective as of the date that is the earlier of 60 days after the Cessation Date and December 31 of that year, all outstanding Unit Award Agreements under which Unit Awards have been made to such Executive shall be terminated, all unvested Unit Awards shall be forfeited by the Executive and all Unit Awards vested as at the Cessation Date shall be settled for a Settlement Amount per Unit equal to the Fair Market Value of the Shares on the Vesting Date.
4. Change of Control: Unit Awards shall vest at the time of the Change of Control and all vested Unit Awards shall immediately thereafter be settled for a Settlement Amount per Unit equal to the Fair Market Value of a Share on or immediately prior to the date of the Change of Control.
5. Retirement, Death and Disability: Effective as of the date that is the earlier of 60 days after the Cessation Date and January 1 of the year immediately following the Cessation Date, and notwithstanding any other severance entitlements or entitlement to notice or compensation in lieu thereof, all Unit Awards shall forthwith vest and shall be settled in favour of the Executive or the estate of a deceased Grantee for a Settlement Amount per Unit equal to the Fair Market Value of the Shares on the earlier of the Vesting Date or the Cessation Date, as the case may be.

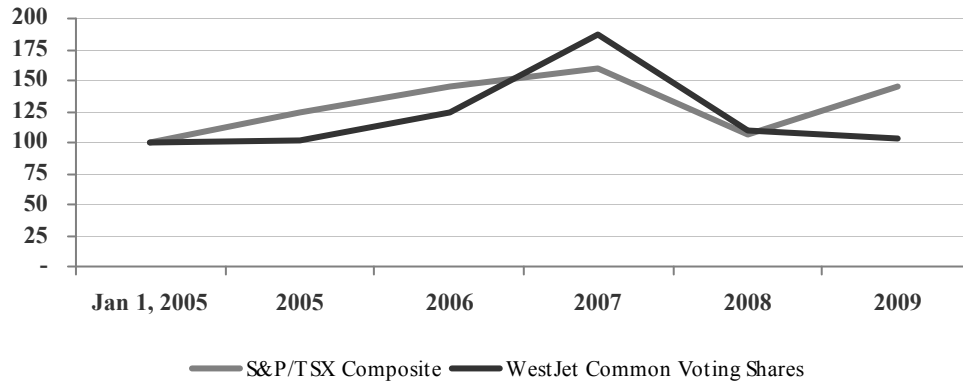
Departure of Executive in 2009

Ken McKenzie, former Executive Vice President, Operations, ceased employment with WestJet on September 1, 2009. Upon his departure, he received compensation valued at \$1,371,005 which was comprised of: (1) cash severance of \$805,075; (2) RSUs vested at \$209,286; (3) PSUs vested at \$279,048; and (4) \$77,596 cash settlement for 2007 RSUs. In WestJet's 2009 management information circular, the amount disclosed as payable upon termination without cause was \$1,077,287. The difference of \$293,718 is almost entirely due to the 2009 grant of PSUs and RSUs received by Mr. McKenzie which were not included in the previous disclosure.

Performance Graphs

The following chart illustrates WestJet's total shareholder return for Common Voting Shares from January 1, 2005 to December 31, 2009 considering a \$100 investment versus the return of the S&P/TSX Composite Index for the same period.

Comparison of Cumulative Total Return – Common Voting Shares



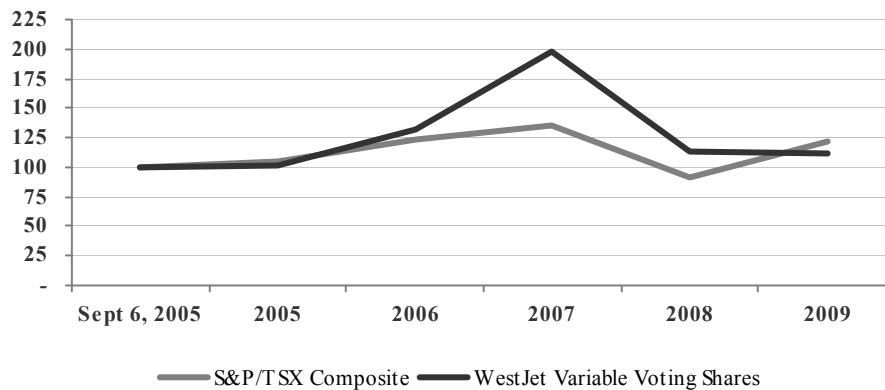
	Jan 1, 2005	Dec 31, 2005	Dec 31, 2006	Dec 31, 2007	Dec 31, 2008	Dec 31, 2009
S&P/TSX Composite	100.00	124.13	145.55	159.86	107.10	144.65
WestJet Common Voting Shares ⁽¹⁾	100.00	102.25	124.52	187.74	109.42	103.34

Note:

(1) The Common Voting Shares replaced the common shares which existed prior to the share reclassification undertaken by WestJet in August 2005.

The following chart illustrates WestJet's total shareholder return for Variable Voting Shares from September 6, 2005 to December 31, 2009 considering a \$100 investment versus the return of the S&P/TSX Composite Index for the same period.

Comparison of Cumulative Total Return – Variable Voting Shares



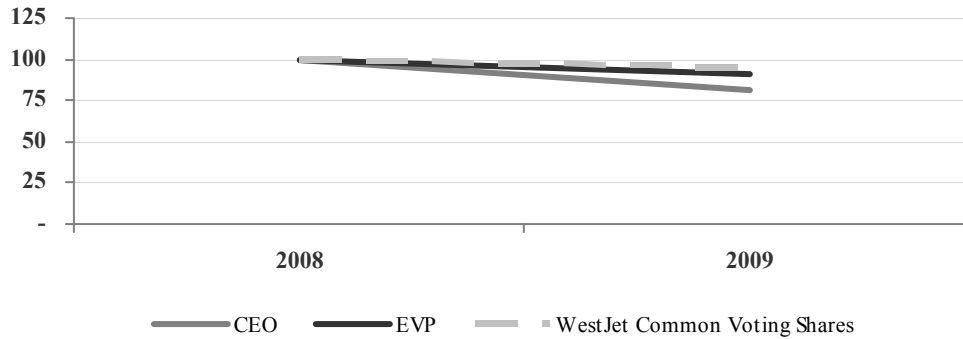
	Sept 6, 2005	Dec 31, 2005	Dec 31, 2006	Dec 31, 2007	Dec 31, 2008	Dec 31, 2009
S&P/TSX Composite	100.00	105.10	123.24	135.36	90.69	122.48
WestJet Variable Voting Shares ⁽¹⁾	100.00	101.85	132.16	198.68	113.04	111.01

Note:

(1) The Variable Voting Shares were created as part of the abovementioned share reclassification. The Variable Voting Shares began trading on the TSX on September 6, 2005.

The following chart illustrates the relationship between WestJet's total shareholder return for Common Voting Shares and the company's compensation to Executive Officers from January 1, 2008 to December 31, 2009.

Comparison of Cumulative Total Return - Common Voting Shares and Executive Officer Compensation



	Dec 31, 2008	Dec 31, 2009
CEO – Total Compensation	100.00	80.79
EVP – Total Compensation ⁽¹⁾	100.00	91.02
WestJet Common Voting Shares	100.00	94.44

Note:

(1) Sum of the total compensation for the five Executive Vice-Presidents who held an executive position with the Company for 2008 and 2009. Refer to the Compensation Summary table on page 49.

Share Ownership Guidelines

The Committee and the Board believe it is important that the Executives of the Corporation demonstrate their commitment to WestJet's stewardship through share ownership. Commencing in 2009, the Board approved Share ownership guidelines whereby Executives are expected to own, directly or indirectly, Shares, including RSUs and vested PSUs, valued at the following amounts, within five years of their appointment or five years of the implementation of this guideline, whichever is later. Should an Executive be promoted, he or she would be afforded an additional 3 years to meet his or her new share ownership requirement. Share ownership guideline compliance will be measured on February 28 for the preceding year.

Position	Guideline
President and Chief Executive Officer	3 x base salary
Executive Vice-Presidents	2 x base salary
Vice-Presidents	0.5 x base salary

The Compensation Committee regularly reviews the Executives' actual shareholdings. It also reviews these guidelines for consistency with competitive standards.

Trading Policy

While the Corporation encourages all employees and Executives to become shareholders, it also recognizes the need to assist its insiders in meeting their obligations under securities law. For that reason, WestJet maintains a comprehensive disclosure and trading policy. Under this policy, insiders are allowed to trade WestJet securities only during designated trading windows and must pre-clear all trades with the

CEO. Any trades by the CEO must be pre-cleared by the Chairman of the Board. As required by law, each trade is reported in an insider trading report filed on-line on the System for Electronic Disclosure by Insiders (SEDI).

GENERAL AND ADDITIONAL INFORMATION

Audit Committee Disclosure

In connection with Audit Committee disclosure required under NI 52-110, please see “Audit Committee Disclosure” in the Corporation’s Annual Information Form filed on SEDAR at www.sedar.com.

Interest of Informed Persons in Material Transactions

To the knowledge of the Corporation there were no material interests, direct or indirect, of Directors or executive officers of the Corporation, nor of any nominees for Director, nor any Shareholder who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the Shares of the Corporation, or any other Informed Person (as defined in National Instrument 51-102 - *Continuous Disclosure Requirements*) or any known associate or affiliate of such persons in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

Interest of Certain Persons and Companies in Matters to be Acted Upon

Management of the Corporation is not aware of any material interest of any Director or nominee for director, or Executive or anyone who has held office as such since the beginning of the Corporation’s last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

Additional Information Relating to WestJet

Additional information relating to the Corporation is available on SEDAR at www.sedar.com.

Financial information in respect of the Corporation and its affairs is provided in the Corporation’s annual audited consolidated financial statements for the year ended December 31, 2009 and the related Management’s Discussion and Analysis. Copies of the Corporation’s consolidated financial statements and related Management’s Discussion and Analysis are available upon request from the Corporation at investor_relations@westjet.com, by telephone at 1-877-493-7853 or writing to Investor Relations at 22 Aerial Place NE, Calgary, AB, T2E 3J1.

Other Matters

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

Cautionary statement regarding forward-looking information and statements

This Circular contains forward-looking statements as defined under applicable Canadian securities legislation, including earnings per share targets at page 46 and bonus margin target levels on page 47. These forward-looking statements typically contain the words “anticipate,” “believe,” “estimate,” “intend,” “expect,” “may,” “will,” “should,” “potential”, “plan”, “target” or other similar terms.

Readers are cautioned that our expectations, estimates, projections and assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

Our actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. We can give no assurance that any of the events anticipated will transpire or occur, or if any of them do, what benefits or costs we will derive from them. By their nature, forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the impact of general economic conditions, changing domestic and international industry conditions, volatility of fuel prices, terrorism, currency fluctuations, interest rates, competition from other industry participants (including new entrants, and generally as to capacity fluctuations and the pricing environment), labour matters, government regulation, stock-market volatility, the ability to access sufficient capital from internal and external sources and additional risk factors discussed in our AIF and other documents we file from time to time with securities regulatory authorities, which are available through the internet on SEDAR at www.sedar.com or, upon request, without charge from us.

The forward-looking information contained in the Circular is expressly qualified by this cautionary statement. Except as required by law, we do not undertake to update any forward-looking statements.

APPENDIX “A”

CORPORATE GOVERNANCE

The Board of Directors of WestJet is responsible for the supervision of Management and the overall stewardship and governance of the Corporation and acts in accordance with the Articles and By-laws of WestJet, the Mandate adopted for the Board (attached as Appendix “C”), the Corporation’s Code of Business Conduct (the “Code”) and with a view to the best interests of the Corporation and its shareholders. In addition, the Board, directly, and through its various committees and complies with evolving Canadian corporate governance requirements including those established under the National Instrument 52-110 (Audit Committee) (“NI 52-110”), National Policy 58-201 (Corporate Governance Guidelines) (“NP 58-201”) and National Instrument 58-101 (Disclosure of Corporate Governance Practices) (“NI 58-101”).

NI 58-101 requires issuers to make the prescribed disclosure with respect to their governance practices. As reflected in the table below, WestJet’s current governance practices meet or exceed the current NI 58-101 disclosure requirements. The statement of corporate governance practices in the table that follows is responsive to each of the disclosure obligations set out in NI 58-101.

1. Board of Directors

(a) Disclose the identity of Directors who are independent.	Eight of the eleven current Directors are independent. Likewise, eight of the eleven proposed Directors are independent. For further details see “Independence” on page 21.
(b) Disclose the identity of Directors who are not independent and describe the basis for that determination.	For details see “Independence” on page 21.
(c) Disclose whether or not a majority of the Directors are independent.	Majority of Independent Directors – As indicated in item 1(a) above, eight of the eleven current members of the Corporation’s Board of Directors are independent.
(d) If a Director is presently a director of any other issuer that is a reporting issuer (or equivalent) in a jurisdiction or foreign jurisdiction, identify both the director and the other issuer.	Outside Directorships – The outside directorships of WestJet Directors are described under “Information Concerning the Director Nominees” starting on page 13.
(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meeting, disclosure the number of meeting held since the beginning of the issuer’s most recently completed financial year.	The independent Directors meet separately at the end of each scheduled Board or committee meeting. For details on the number of meetings held in 2009, please see “Board and Committee Meetings Held and Attendance” on page 22.
(f) Disclose whether or not the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his role and responsibilities.	The Chairman of the Board is not an independent Director, however, the Board does have an independent Lead Director. For details see “Independence” on page 21.
(g) Disclose the attendance record for all board meetings held since the beginning of the issuer’s most recently completed financial year.	For details on the attendance record for Board members in 2009, please see “Board and Committee Meetings Held and Attendance” on page 22.

2. Board Mandate

Disclose the text of the board's written mandate.

Board Mandate – The Board's mandate is set out in Appendix "C" to this Management Proxy Circular.

3. Position Descriptions

(a) Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board Committee. If the Board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.

The Board has developed written position descriptions for the Chairman of the Board, the Lead Director and Committee Chairs.

(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. If not, briefly describe how the Board delineates the role and responsibilities of the CEO.

The Board has developed a written position description for the CEO.

4. Orientation and Continuing Education

(a) Briefly describe what measures the Board takes to orient new directors regarding

- (i) the role of the board, its committees and Directors; and
- (ii) the nature and operation of the issuer's business.

For details, see "Director Orientation and Continuing Education" on page 20.

(b) Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.

For details, see "Director Orientation and Continuing Education" on page 20.

5. Ethical Business Conduct

(a) Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If so:

WestJet's Code of Business Conduct consists of policies relating to the ethical and legal standards of conduct to be followed by employees and agents of the Corporation. The Code is designed to define individual and corporate responsibility and was adopted by the Board in August, 2002 and is reviewed and updated regularly, including most recently in February, 2010.

(i) Disclose how a person or company may obtain a copy of the code;

(i) The Code can be made available upon written request or may be found with the Corporation's other filings on SEDAR at www.sedar.com.

(ii) Describe how the Board monitors compliance with its code, or if the board does not monitor compliance, explain whether and who the Board satisfies itself regarding compliance with

(ii) All Directors, executives and senior management are required to annually re-read the Code and sign an acknowledgment stating that they have read the Code and that they agree to comply with it. In order to ensure compliance, all persons subject to the Code are requested to acknowledge their understanding of it, and are subject to sanctions for violation of the Code. In addition, persons

its code; and

- (iii) Provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.

- (b) Describe any steps the Board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest.
- (c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.

6. Nomination of Directors

- (a) Describe the process by which the board identifies new candidate for board nomination.
- (b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If not, describe what steps the board takes to encourage an objective nomination process.
- (c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.

7. Compensation

- (a) Describe the process by which the board determines the compensation for the issuer's directors and officers.

subject to the Code are encouraged to report violations, and may do so through the Corporation's Confidential and Anonymous Hotline.

- (iii) No material change report was required or filed in relation to any departure from the Code, during the Corporation's most recently completed financial year which ended December 31, 2009.

Pursuant to the by-laws of WestJet and the Alberta Business Corporations Act ("ABCA"), the Director or officer must declare the nature and extent of his interest in the transaction or arrangement at the time and in the manner provided in the ABCA. As required by the ABCA, the Director shall refrain from voting on the transaction or arrangement in which he has an interest.

The Board has adopted a Disclosure, Confidentiality and Trading Policy for the Corporation which provides guidance on disclosure of material information, maintaining confidentiality and restrictions on trading of securities of the Corporation. The Disclosure, Confidentiality and Trading Policy, the Code of Business Conduct and the Corporation's Confidential and Anonymous Hotline Policy and Procedure (Reporting Policy) adopted by the Board all serve to encourage and promote a culture of ethical business conduct.

For further details, please refer to the section "Director Selection" on page 19.

The Corporate Governance and Nominating Committee of the Board is composed of five independent Directors. For further information, please see the section "Board Committees" on page 27.

For further details, please see the section "Board Committees" on page 27.

For complete details on this process see "Director Compensation" beginning on page 22 and "Executive Compensation Discussion and Analysis" beginning on page 40.

(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.

(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.

(d) If a compensation committee or advisor has, at any time since the beginning of the issuers most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.

8. Other Board Committees

If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

9. Assessments

Disclose whether or not the Board, its committees and individual directors are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.

The Compensation Committee of the Board is currently composed of four independent directors. For further information, please see the section "Board Committees" on page 27.

For further information, please see the section "Board Committees" on page 27 and "Compensation Decision-making Process" on page 41.

For further information, please see the section "Design of Program and Role of Compensation Consultants" on page 42.

The Board has recently established a Safety, Health and Environment Committee. For further details, please see the section "Board Committees" on page 27.

The Board regularly assesses its Board and individual Directors. For further information, please see "Director Assessments" on page 22.

APPENDIX “B”

WESTJET AIRLINES LTD. KEY EMPLOYEE AND PILOT RESTRICTED SHARE UNIT PLAN

ARTICLE 1 INTRODUCTION AND INTERPRETATION

1.1 Purpose

The principal purposes of the Plan are as follows:

- (a) to retain and attract (i) certain key employees at the vice president and director levels (“**Management Participants**”), and (ii) qualified pilots, that WestJet and/or the WestJet Entities, as applicable, require (“**Pilot Participants**”);
- (b) to promote a proprietary interest in WestJet by such persons and to encourage such persons to remain in the employ or service of WestJet and/or the WestJet Entities, as applicable, and put forth maximum efforts for the success of the affairs of WestJet; and
- (c) to associate a portion of vice president, director and pilot compensation with the returns achieved by Shareholders of WestJet over the medium to long-term.

1.2 Definitions

Whenever used in this Plan, the following words and terms have the respective meanings set out below unless the context otherwise requires:

- (a) “**Accelerated Payment Date**” has the meaning ascribed thereto in Section 6.1;
- (b) “**Account**” means the account maintained by WestJet or a WestJet Entity, as applicable, for each Participant in connection with the operation of the Plan to which Restricted Share Units and non-cash Dividends, if any, awarded to the Participant under the Plan will be credited;
- (c) “**Annual Award Value**” has the meaning ascribed thereto in Section 4.1(a)(ii);
- (d) “**Applicable Law**” means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder, and the rules of any stock exchange upon which the Voting Shares are listed;
- (e) “**Applicable Withholding Taxes**” has the meaning ascribed thereto in Section 2.3(b);
- (f) “**Award Date**” has the meaning ascribed thereto in Section 4.1(a)(i);
- (g) “**Beneficiary**” means, subject to Applicable Law, an individual who has been designated by a Participant, in such form and manner as the Board may determine, to receive benefits payable under the Plan upon the death of the Participant, or, where no such designation is validly in effect at the time of death, or where the designated individual does not survive the Participant, the Participant’s legal representative;
- (h) “**Black-Out Period**” means a period of time imposed by the Board pursuant to the Insider Trading and Disclosure Policy of WestJet upon certain designated persons during which those persons may not trade in any securities of WestJet;

- (i) “**Black-Out Extension Term**” means ten (10) Business Days from the date that any Black-Out Period ends;
- (j) “**Board**” means the board of directors of WestJet, as it may be constituted from time to time;
- (k) “**Broker**” means a registered broker, independent from WestJet, who has been designated by the Board as the broker that will purchase Voting Shares on behalf of a Participant or a Beneficiary, as applicable, in accordance with Section 6.3, and who is a member of the TSX;
- (l) “**Business Day**” means a day other than a Saturday, Sunday or a day when banks in the City of Calgary, Alberta are not generally open for business;
- (m) “**Cause**” in respect of a Participant means:
 - (i) the failure or wilful refusal of the Participant to substantially perform his or her material duties and responsibilities, except as such results from the Disability of the Participant, that is not cured by the Participant within a reasonable period of written notification thereof to the Participant by WestJet or, if applicable, a WestJet Entity;
 - (ii) the failure or wilful refusal of the Participant to substantially perform his or her material duties, obligations and covenants under any non-compete or non-solicit agreements between the Participant and WestJet or, if applicable, a WestJet Entity;
 - (iii) any fraudulent activity or serious misconduct by the Participant materially affecting WestJet or, if applicable, the WestJet Entities or in circumstances which would make the Participant unsuitable to continue to discharge his or her duties of employment;
 - (iv) the conviction of the Participant for any crime involving fraud, misrepresentation or breach of trust;
 - (v) any wilful and intentional act on the part of the Participant having the effect of materially injuring the reputation, business or business relationships of WestJet or, if applicable, a WestJet Entity; or
 - (vi) anything or any things constituting “cause” under Applicable Law;except that if, at the time of such Participant’s Cessation Date, the Participant is party to an employment, severance, retention or similar contract or agreement with WestJet or a WestJet Entity that contains a definition of the term “cause” or a similar term, the term “cause” shall have the meaning, if any, assigned thereto (or to such similar term) in such contract or agreement;
- (n) “**Cessation Date**” means the date of the Participant’s termination of, or resignation from, active employment with WestJet or a WestJet Entity, as the case may be, regardless of whether adequate or proper advance notice of termination or resignation shall have been provided in respect of such termination or resignation from active employment. For greater certainty, a transfer of employment or services between WestJet and a WestJet Entity or between WestJet Entities shall not be considered an interruption or termination of the employment of a Participant for any purpose of the Plan;
- (o) “**Common Shares**” means the common voting shares of WestJet;
- (p) “**CTA**” means the *Canadian Transportation Act* (Canada), as amended, or any successor legislation thereto;

- (q) “**Disability**” means the Participant’s physical or mental incapacity that prevents such Participant from substantially fulfilling his or her duties and responsibilities on behalf of WestJet or, if applicable, a WestJet Entity, and in respect of which the Participant commences receiving, or is eligible to receive, disability benefits under a short-term or long-term disability plan of WestJet or any WestJet Entity; except that if, at any relevant time, the Participant is party to an employment, severance, retention or similar contract or agreement with WestJet or any WestJet Entity that contains a definition of the term “disability” or a similar term, the term “disability” shall have the meaning, if any, assigned thereto (or to such similar term) in such contract or agreement;
- (r) “**Dividend**” means a dividend paid by WestJet in respect of the Voting Shares, whether of cash, Common Shares, Variable Voting Shares or other securities or other property, expressed as an amount per Voting Share;
- (s) “**Dividend Payment Date**” means any date that a Dividend is distributed to Shareholders;
- (t) “**Dividend Record Date**” means the applicable record date in respect of any Dividend used to determine the Shareholders entitled to receive such Dividend;
- (u) “**Effective Date**” has the meaning ascribed thereto in Section 1.4;
- (v) “**Eligible Participant**” means each key employee at the vice president or director level, and each pilot, employed by WestJet or any WestJet Entity who is designated by the Board, in its sole discretion, as eligible for participation in the Plan or whose contract of employment with WestJet or any of the WestJet Entities specifies that he or she shall participate in the Plan and who is subsequently designated by the Board, in its sole discretion, as being eligible for participation in the Plan;
- (w) “**Fair Market Value**” means, on any particular date, the weighted average of the Voting Shares traded on the TSX (or, if the Voting Shares are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the Voting Shares are then listed and posted for trading as may be selected for such purpose by the Board in its sole and absolute discretion) for the five (5) trading days on which the Voting Shares traded on the said exchange immediately preceding such date. In the event that the Voting Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Voting Shares as determined by the Board in its sole discretion, acting reasonably and in good faith. If initially determined in United States dollars, the Fair Market Value shall be converted into Canadian dollars at an exchange rate selected and calculated in the manner determined by the Board from time to time acting reasonably and in good faith;
- (x) “**Grant**” means a grant of Restricted Share Units made pursuant to Section 4.1;
- (y) “**Grant Agreement**” means an agreement between WestJet and a Participant under which a Restricted Share Unit is granted, as contemplated by Section 4.2, together with such schedules, amendments, deletions or changes thereto as are permitted under the Plan;
- (z) “**Grant Date**” means, in respect of a Restricted Share Unit, the date such Restricted Share Unit is granted to a Participant under the Plan;
- (aa) “**Insider**” shall have the meaning given to that term in the TSX rules relating to security-based compensation arrangements;
- (bb) “**Management Participant**” has the meaning ascribed thereto in Section 1.1(a);

- (cc) **“May Trading Period”** means, in any calendar year, the period of time during the month of May that Voting Shares may be traded by Participants under Applicable Law and that is not otherwise a Black-Out Period;
- (dd) **“Participant”** means an Eligible Participant who has agreed to participate in the Plan on such terms as the Board may specify;
- (ee) **“Pilot Participant”** has the meaning ascribed thereto in Section 1.1(a);
- (ff) **“Plan”** means this WestJet Airlines Ltd. Key Employee and Pilot Restricted Share Unit Plan including any Grant Agreement and all Schedules hereto, as amended from time to time in accordance with its terms;
- (gg) **“Plan Trust Fund”** means the assets of the Plan held by the Trustee, as more fully set out in Section 6.4;
- (hh) **“Restricted Share Unit”** means a unit granted to a Participant that is represented by a bookkeeping entry on the books of WestJet, the value of which on any particular date shall be equal to the Fair Market Value;
- (ii) **“Shareholder”** means a holder of Common Shares or Variable Voting Shares, as applicable;
- (jj) **“Share Reserve”** shall have the meaning given to that term in Section 2.2;
- (kk) **“Successor”** shall have the meaning ascribed thereto in Section 7.3(b);
- (ll) **“Total Shares”** means the aggregate number of issued and outstanding Voting Shares;
- (mm) **“Trustee”** means such trustee or trustees as may, from time to time, be appointed for purposes of the Plan pursuant to Section 6.4;
- (nn) **“TSX”** means the Toronto Stock Exchange;
- (oo) **“Variable Voting Shares”** means the variable voting shares of WestJet;
- (pp) **“Vested Restricted Share Units”** means Restricted Share Units that have vested in accordance with the terms of this Plan and/or the terms of any applicable Grant Agreement;
- (qq) **“Vesting Date”** means the date on which a Restricted Share Unit becomes a Vested Restricted Share Unit pursuant to the provisions of this Plan;
- (rr) **“Voting Shares”** means Common Shares and Variable Voting Shares, and, with respect to a Restricted Share Unit, either Common Shares or Variable Voting Shares as applicable;
- (ss) **“WestJet”** means WestJet Airlines Ltd. and includes any successor corporation thereof, and any reference in the Plan to action by WestJet means action by or under the authority of the Board; and
- (tt) **“WestJet Entities”** means, collectively, any of WestJet’s subsidiaries, partnerships, trusts or other controlled entities.

1.3 Construction and Interpretation

- (a) In this Plan, all references to the masculine include the feminine; references to the singular shall include the plural and *vice versa*, as the context shall require.
- (b) The headings of all articles, sections and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan. References to “Article” “Section” or “Paragraph” mean an article, section or paragraph contained in the Plan unless expressly stated otherwise.
- (c) In this Plan, “including” and “includes” mean including or includes, as the case may be, without limitation. The words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.
- (d) Whenever the Board or, where applicable, any delegate of the Board is to exercise discretion in the administration of the terms and conditions of this Plan, the term “discretion” means the sole and absolute discretion of the Board or the delegate of the Board, as the case may be.
- (e) Except where expressly provided otherwise, all references in the Plan to currency refer to lawful Canadian currency.

1.4 Effective Date

The Plan shall be effective as of May, 2010 (the “**Effective Date**”).

ARTICLE 2 ADMINISTRATION OF THE PLAN

2.1 Administration of the Plan

The Plan shall be administered by the Board. The Board shall have the authority, in its discretion, to administer the Plan and to exercise all the powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan subject to and not inconsistent with the express provisions of this Plan and of Section 7.1 hereof, including, without limitation, the authority to:

- (a) interpret the Plan and prescribe, modify and rescind rules and regulations relating to the Plan;
- (b) correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent it considers necessary or advisable for the implementation and administration of the Plan;
- (c) exercise rights reserved to WestJet and/or the WestJet Entities under the Plan;
- (d) determine the terms and provisions of Grant Agreements to be used in connection with the Grants of Restricted Share Units;
- (e) determine the terms and provisions of Grant Agreements (which need not be identical) entered into in connection with Grants of Restricted Share Units; and
- (f) make all other determinations and take all other actions as it considers necessary or advisable for the implementation and administration of the Plan.

The Board's determinations and actions under this Plan are final, conclusive and binding on WestJet, the WestJet Entities and the Participants.

To the extent permitted by Applicable Law, the Board may from time to time delegate to any committee of the Board, one or more Board members, WestJet or WestJet Entity officers or employees, or one or more agents, all or any of the powers of the Board. The committee of the Board to whom such powers have been delegated may, subject to Applicable Law, also delegate all or any powers delegated to it or to one or WestJet or WestJet Entity officers or employees, or one or more agents. In such event, the person or entity to whom such powers have been delegated as aforesaid shall exercise such delegated powers in the manner and on the terms authorized by such delegation. Any decision made or action taken by the Board or by the committee of the Board or any person to whom the Board or a committee of the Board has delegated duties as aforesaid arising out of or in connection with the administration or interpretation of this Plan in this context is final, binding and conclusive on WestJet, the WestJet Entities and the Participants.

2.2 Reservation of Voting Shares

Up to 1,000,000 Voting Shares may be issued pursuant to this Plan (the "**Share Reserve**"). If any Restricted Share Units granted under this Plan shall expire, terminate or be cancelled for any reason without the Voting Shares issuable thereunder having been issued, any such Voting Shares shall be available for the purposes of the granting of further Restricted Share Units under this Plan.

No one Participant may be granted any Restricted Share Units which, together with all Restricted Share Units then held by such Participant, would entitle such Participant to receive a number of Voting Shares which is greater than two per cent (2%) of the Total Shares. In addition: (i) the number of Voting Shares issuable to Insiders at any time, under all security based compensation arrangements of WestJet and the WestJet Entities, shall not exceed ten per cent (10%) of Total Shares; and (ii) the number of Voting Shares issued to Insiders, within any one year period, under all security based compensation arrangements of WestJet and the WestJet Entities, shall not exceed ten per cent (10%) of the Total Shares.

2.3 Taxes and Other Source Deductions

- (a) WestJet and the WestJet Entities shall not be liable for any tax imposed on any Participant as a result of amounts paid or credited to such Participant under the Plan.
- (b) WestJet and any of the WestJet Entities, as applicable, shall be authorized to deduct from any amount paid or credited hereunder such taxes and other amounts as it may be required by law to withhold (the "**Applicable Withholding Taxes**"), and the Board may, in its discretion, adopt and apply such rules and regulations that in its opinion will ensure that WestJet and the WestJet Entities, as applicable, will be able to so comply.

2.4 Participant Information

Each Participant shall provide WestJet, the WestJet Entities, the Board and any delegate of the Board (all, as applicable) with all information, including personal information, that they require in order to administer the Plan, prepare financial statements or other necessary reports and facilitate payment or reimbursement of Plan-related expenses.

ARTICLE 3 ELIGIBILITY AND PARTICIPATION

3.1 Eligibility

- (a) Each Eligible Participant is eligible to participate in the Plan.

- (b) Notwithstanding any other provision of the Plan, if an Eligible Participant is resident or otherwise subject to taxation in a jurisdiction in which an award of Restricted Share Units under the Plan might be considered to be income which is subject to taxation at the time of such award, the Eligible Participant may elect not to participate in the Plan by providing a written notice to the People Department at WestJet's head office in Calgary, Alberta.

3.2 Participant's Agreement to be Bound

Participation in the Plan by any Eligible Participant shall be construed as acceptance by the Eligible Participant of the terms and conditions of the Plan and all rules and procedures adopted hereunder and as amended from time to time.

ARTICLE 4 GRANT OF RESTRICTED SHARE UNITS AND TERMS

4.1 Grant of Restricted Share Units and Terms

- (a) Subject to the terms of the Plan, the Board shall determine, in its discretion:
 - (i) each date on which Restricted Share Units are awarded to an Eligible Participant in accordance with this Section 4.1 (each such date, an "**Award Date**"); and
 - (ii) the value of the award to be granted in respect of a Participant in relation to any applicable Award Date (the "**Annual Award Value**").
- (b) Unless otherwise determined by the Board in accordance with Section 4.1(c), and subject to receipt of a completed and executed Grant Agreement from the Eligible Participant and the terms and conditions stated herein, each Participant shall receive an annual grant of Restricted Share Units during the May Trading Period.

For Pilot Participants, the number of Restricted Share Units to be credited to Participant's Account as of the Award Date shall be equal to $A \times B$, rounded (up or down) to the nearest whole number, where:

A = the number determined by dividing (i) the Annual Award Value by (ii) the Fair Market Value determined as of the Award Date; and

B = one (1) for 2010 and, for calendar years following 2010, the number determined by dividing (i) the number of months the Participant has been employed by WestJet and/or the WestJet Entities, as applicable, since the immediately preceding Award Date by (ii) 12, which fraction, for greater certainty, cannot be greater than one (1).

For Management Participants, the number of Restricted Share Units to be credited to Participant's Account as of the Award Date shall be the number determined by dividing (i) the Annual Award Value by (ii) the Fair Market Value determined as of the Award Date.

- (c) Each Restricted Share Unit will give the Participant the right to receive a payment in accordance with Article 6 with respect to each such Restricted Share Unit which has become a Vested Restricted Share Unit pursuant to the provisions of this Plan and in accordance with the terms of the Grant Agreement relating to such Restricted Share Unit.
- (d) Subject to the terms of the Plan, the Board may determine other terms or conditions of any Restricted Share Units, and shall specify the material terms thereof in the applicable Grant

Agreement. Without limiting the generality of the foregoing, such additional terms and conditions may include any additional conditions with respect to the vesting of Restricted Share Units, in whole or in part, to become Vested Restricted Share Units or the payment of cash or the provision of Voting Shares under the Plan including conditions in respect of:

- (i) the market price of the Voting Shares;
- (ii) the return to holders of Voting Shares, with or without reference to other comparable companies;
- (iii) the financial performance or results of WestJet and/or the WestJet Entities;
- (iv) other performance criteria relating to WestJet and/or the WestJet Entities;
- (v) ownership of Voting Shares by a Participant;
- (vi) restrictions on the re-sale of Voting Shares acquired under the Plan including escrow arrangements; and
- (vii) any other terms and conditions the Board may, in its discretion, determine with respect to vesting or the acceleration of vesting;

which shall be set out in the Grant Agreement. The conditions may relate to all or a portion of the Restricted Share Units in a grant and may be graduated such that different percentages (which may be greater or lesser than one hundred per cent (100%)) of the Restricted Share Units in a grant will become vested depending on the extent of satisfaction of one or more such conditions.

- (e) The Board may, in its discretion, subsequent to the Grant Date of a Restricted Share Unit, waive any term or condition or determine that it has been satisfied subject to Applicable Law.

4.2 Grant Agreement

Each grant of a Restricted Share Unit will be set forth in a Grant Agreement containing terms and conditions required under the Plan and such other terms and conditions not inconsistent herewith as the Board may, in its sole discretion, deem appropriate. Certificates representing Restricted Share Units will not be issued by WestJet.

4.3 Accounts and Records

- (a) An Account shall be maintained by WestJet or a WestJet Entity, as applicable, for each Participant and will be credited with such grants of Restricted Share Units as are received by a Participant from time to time pursuant to Section 4.1. Restricted Share Units that fail to vest in a Participant pursuant to Article 5, or that are paid out to the Participant or his or her Beneficiary, shall be cancelled and shall cease to be recorded in the Participant's Account as of the date on which such Restricted Share Units are forfeited or cancelled under the Plan or are paid out, as the case may be.
- (b) WestJet or a WestJet Entity, as applicable, shall keep or cause to be kept such records and accounts as may be necessary or appropriate in connection with the administration of the Plan and the discharge of its duties, which records shall, absent manifest error, be considered conclusively determinative of all information contained therein.
- (c) A written statement confirming the balance in each Participant's Account shall be provided by WestJet or a WestJet Entity, as applicable, to the Participant at least annually. Statements shall contain such information as the Board may determine from time to time. Such statement shall be

deemed to have been accepted by the Participant as correct unless written notice to the contrary is given to the People Department at WestJet's head office in Calgary, Alberta within thirty (30) days after such statement is provided to the Participant. For greater certainty, in the event of any discrepancy between the WestJet records and any statement provided to a Participant pursuant to this Section 4.3(c), the WestJet records shall govern and the rights and obligations of WestJet and the WestJet Entities and the Participant shall be determined on the basis of such records.

4.4 Payment of Dividend Equivalents

A Participant's Account shall, unless otherwise determined by the Board in its sole discretion, from time to time, be credited with additional Restricted Share Units, the number of which shall be the quotient determined by dividing: one hundred per cent (100%) of the Dividends declared and that would have been paid to the Participant if the Restricted Share Units in his or her Account on the relevant Dividend Record Date had been Voting Shares (excluding stock Dividends but including Dividends which may be paid in cash or Voting Shares at the option of the Shareholder) by the Fair Market Value on the Dividend Payment Date, with fractions computed to three decimal places. For greater certainty no additional Restricted Share Units will be credited to a Participant's Account in respect of or in relation to: (i) any stock Dividends except as specifically provided in this Section 4.4, (ii) any Vested Restricted Share Units after the applicable Vesting Date or Accelerated Payment Date, and (iii) any Restricted Share Units that have been previously forfeited or cancelled under the Plan.

4.5 Adjustments to Restricted Share Units

In the event:

- (a) of any change in the Common Shares or Variable Voting Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise;
- (b) that any rights are granted to Shareholders to purchase Common Shares or Variable Voting Shares at prices substantially below Fair Market Value; or
- (c) that, as a result of any recapitalization, merger, consolidation or other transaction, the Common Shares or Variable Voting Shares are converted into or exchangeable for any other securities,

then, in any such case, the Board shall make such adjustments, if any, to the Plan, to any Restricted Share Units and to any Grant Agreements outstanding under the Plan as may be appropriate in the circumstances (including changing the Voting Shares covered by each Restricted Share Unit into other securities on the same basis as Voting Shares are converted into or exchangeable for such securities in any such transaction) to prevent dilution or enlargement of the rights granted to Participants hereunder, subject in each case to receipt of any required regulatory approvals including any required approvals of the TSX.

ARTICLE 5 VESTING OF RESTRICTED SHARE UNITS

5.1 Vesting

Except as otherwise provided in a Grant Agreement and subject to the terms of this Plan, Restricted Share Units granted to an Participant hereunder shall become Vested Restricted Share Units on the Vesting Date applicable to such Restricted Share Units which date shall, in any event, not be later than December 15 of the third (3rd) calendar year following the end of the calendar year in which the services to which the grant of such Restricted Share Units relate. The vesting provisions in any Grant Agreement will be determined by the Board in its sole discretion.

5.2 Accelerated Vesting

The Board in its sole discretion may, by resolution, permit all unvested Restricted Share Units to vest immediately and be paid out of the Participants' Accounts in accordance with Article 6.

5.3 Termination of Employment Relationship

Unless otherwise determined by the Board in its discretion or unless otherwise expressly set forth in a Grant Agreement pertaining to a particular Grant or any written employment agreement governing a Participant's role with WestJet or any WestJet Entity, the following provisions shall apply in the event that a Participant ceases to serve or be employed by WestJet or any of the WestJet Entities, as applicable:

- (a) Termination – If a Participant ceases to be an Eligible Participant for any reason whatsoever, other than the death, Disability, retirement (as contemplated under paragraph (c) of this Section 5.3) or termination without Cause of such Participant, all outstanding Restricted Share Units credited to such Participant's Account which have not vested on or before the Cessation Date pursuant to the terms of this Plan, shall be forfeited and cancelled immediately, and the Participant shall have no entitlement to receive any payment in respect of such forfeited Restricted Share Units, by way of damages, pay in lieu of notice or otherwise.
- (b) Termination Without Cause, Death or Disability – If a Participant's employment is terminated by WestJet or a WestJet Entity, as applicable, without Cause, or upon the death or Disability of a Participant, all Restricted Share Units credited to such Participant's Account which have not vested on or before the Cessation Date pursuant to the terms of this Plan shall immediately vest and become Vested Restricted Share Units and the Participant shall be entitled to a payment, pursuant to Article 6, on the date that is the earlier of (a) one hundred and twenty (120) days from the Cessation Date, and (b) December 31st of the calendar year in which the Cessation Date occurs.
- (c) Retirement – If a Participant ceases to be an employee upon retirement in accordance with WestJet Policy 4-20 or any similar replacement policy then in effect for voluntary or mandatory retirement, all Restricted Share Units credited to such Participant's Account which have not vested pursuant to the terms of this Plan shall immediately vest and become Vested Restricted Share Units, and the Participant or the Participant's Beneficiary, as applicable, shall receive a payment, pursuant to Article 6, in respect of each Vested Restricted Share, as soon as practical following the Vesting Date and, in any event, no later than December 31st of the calendar year in which the Vesting Date occurs.

ARTICLE 6 SETTLEMENT OF RESTRICTED SHARE UNITS

6.1 Form of Payment

The Board may, in its absolute discretion, elect one or any combination of the following payment methods for the Vested Restricted Share Units credited to a Participant's Account on a Vesting Date or such other payment date as may be contemplated by Section 5.3 (each such date an "Accelerated Payment Date"):

- (a) issuing Voting Shares to the Participant or the Participant's Beneficiary, as the case may be, in accordance with Section 6.2;
- (b) causing a Broker to purchase Voting Shares on the TSX for the account of the Participant or the Participant's Beneficiary, as the case may be, in accordance with Section 6.3;

- (c) causing the Trustee to deliver the appropriate number of Voting Shares from the Plan Trust Fund to the Participant or the Participant's Beneficiary, as the case may be, in accordance with Section 6.4; or
- (d) paying cash to the Participant or the Participant's Beneficiary, as the case may be in accordance with Section 6.5.

Where the Board does not specify any payment method for the Vested Restricted Share Units credited to a Participant's Account, the form of payment shall be in cash as provided in Section 6.5.

6.2 Payment in the Form of Newly-Issued Voting Shares

Where WestJet issues Voting Shares from treasury, the number of Voting Shares that are issuable to the Participant on the relevant Vesting Date or Accelerated Payment Date, as applicable, shall be issued from treasury by WestJet, as fully paid and non-assessable shares in consideration of past services valued by the Board at no less than the Fair Market Value of the number of Voting Shares covered by the Vested Restricted Share Units credited to the Participant's Account.

For greater certainty and without limiting the generality of the foregoing, the number of Voting Shares issued to a Participant will be equal to the number of Vested Restricted Share Units credited to the Participant's Account as at the relevant Vesting Date or Accelerated Payment Date, as applicable, less the number of Voting Shares that results by dividing the Applicable Withholding Taxes by the Fair Market Value as at the Vesting Date or Accelerated Payment Date, as applicable.

Fractional Voting Shares shall not be issued and where a Participant would be entitled to receive a fractional Voting Share in respect of any fractional Vested Restricted Share Unit credited to the Participant's Account, WestJet or the WestJet Entities, as applicable, will pay to such Participant, in lieu of such fractional Voting Share, cash equal to the Fair Market Value on the Vesting Date or Accelerated Payment Date, as applicable, of the fractional Vested Restricted Share Unit, net of Applicable Withholding Taxes.

6.3 Payment in the Form of Voting Shares Purchased on the TSX

Where Voting Shares are purchased on the TSX to be delivered to the Participant, WestJet or the WestJet Entities, as applicable, will remit, in cash, to the Broker, the product that results by multiplying (a) the number of Vested Restricted Share Units credited to the Participant's Account as at the Vesting Date or Accelerated Payment Date, as applicable, and (b) the Fair Market Value on the Vesting Date or Accelerated Payment Date, as applicable, net of Applicable Withholding Taxes. The Broker will be required to, within (2) two trading days of the TSX, use the amount to purchase Voting Shares on the TSX as agent and for the account of the Participant, as the case may be. The actual number of Shares purchased by the Broker will be that number that the Broker is able to purchase with the amount remitted to the Broker. Should the funds provided to the Broker be insufficient to purchase the total required Voting Share to settle the Vested Restricted Share Units, the Broker will inform WestJet of the shortfall and, within two (2) Business Days, WestJet will provide Broker with funds sufficient to purchase the additional Shares required. If the Broker purchase more Voting Shares than necessary to settle the Vested Restricted Share Units, any excess Voting Shares will be placed in the Plan Trust Fund.

Where the Participant would be entitled to receive a fractional Voting Share in respect of any fractional Vested Restricted Share Unit credited to the Participant's Account, WestJet or the WestJet Entities, as applicable, will pay to such Participant, in lieu of such fractional Voting Share, cash equal to the Fair Market Value on the Vesting Date or Accelerated Payment Date, as applicable, of the fractional Vested Restricted Share Unit net of Applicable Withholding Taxes.

Voting Shares purchased by the Broker shall be delivered to the Participant within ten (10) Business Days of the Vesting Date or Accelerated Payment Date, as applicable.

WestJet or the WestJet Entities, as applicable, will pay all brokerage fees and commissions arising in connection with the purchase of Voting Shares by the Broker in accordance with the Plan.

6.4 Payment in the Form of Voting Shares Distributed from Plan Trust Fund

From time to time, WestJet may establish and maintain one or more trust funds, on such terms and conditions as the Board shall determine, and WestJet and the WestJet Entities shall contribute cash for the purchase of Voting Shares on the TSX, in such amounts as the Board shall determine in order to facilitate settlement of Vested Restive Share Units under the Plan. Such contributions, if any, and the Voting Shares acquired therewith shall constitute the Plan Trust Fund and shall be held and administered by the Trustee pursuant to the terms of the Plan and any trust agreement entered into by WestJet and the Trustee, from time to time, which governs the Plan Trust Fund.

The Trustee shall arrange for the purchase of the requisite number of Voting Shares on the open market through a TSX participating organization (designated by the Trustee and which is independent of WestJet), and the facilities of the TSX as soon as practicable (but in any event within thirty (30) calendar days) after receipt of any contributions from WestJet and the WestJet Entities. The Voting Shares shall be purchased at prevailing market prices.

Where the Board elects to settle some or all of a Participant's Vested Restricted Share Units by delivery of Voting Shares from the Plan Trust Fund, the Trustee shall, within ten (10) Business Days of the Vesting Date or Accelerated Payment Date, as applicable, distribute to the Participant the number of Voting Shares from the Plan Trust Fund corresponding to the number of Vested Restricted Share Units in the Participant's Account identified by the Board for settlement pursuant to this Section 6.4, and shall transfer title and deliver certificates, where applicable, for such Voting Shares to the Participant by first class insured mail, unless the Trustee shall have received alternate instructions from the Participant for the delivery of the Voting Shares.

Where the Participant would be entitled to receive a fractional Voting Share in respect of any fractional Vested Restricted Share Unit credited to the Participant's Account, WestJet or the WestJet Entities, as applicable, will pay to such Participant, in lieu of such fractional Voting Share, cash equal to the Fair Market Value on the Vesting Date or Accelerated Payment Date, as applicable, of the fractional Vested Restricted Share Unit net of Applicable Withholding Taxes.

6.5 Payment in the Form of Cash

Where the Board elects to pay the Vested Restricted Share Units in cash, the payment will be equal to the product that results by multiplying (a) the number of Vested Restricted Share Units credited to the Participant's Account as at the Vesting Date or Accelerated Payment Date, as applicable, and (b) the Fair Market Value on the Vesting Date or Accelerated Payment Date, as applicable, net of Applicable Withholding Taxes.

6.6 Timing of Payment

Unless otherwise agreed to by the Participant and the Board, WestJet or the WestJet Entities, as applicable, will make the payment in cash, Voting Shares, or a combination thereof, as elected by the Board and calculated in accordance with Sections 6.2 to 6.5, to the Participant within ten (10) Business Days of the applicable Vesting Date or Accelerated Payment Date. If the Participant and the Board agree to an alternate payment date, the payment date must be no later than December 31 of the calendar year of the Vesting Date. If any payment under the terms of the Plan would otherwise occur during a Black-out Period, the payment shall be made during the Blackout Extension Term.

6.7 Death of a Participant

In the event of the death of a Participant, WestJet or the WestJet Entities, as applicable, shall make a payment in cash, issue Voting Shares, cause Voting Shares to be purchased by a Broker or use a

combination of such payment methods, as elected by the Board and calculated in accordance with Sections 6.2 to 6.5, within ten (10) Business Days of the Participant's death or, if earlier, no later than December 31 of the calendar year of the Participant's death.

6.8 General Conditions of Payment

- (a) Unless otherwise determined by the Board in its discretion, where a Voting Share is issued from treasury or purchased by a Broker on the TSX for the benefit of a Participant pursuant to this Article 6, reference to a Voting Share shall be deemed to be reference to one Common Share when the Participant is a Canadian within the meaning of the CTA or to one Variable Voting Share if the Participant is not a Canadian within the meaning of the CTA, as the case may be.
- (b) Upon payment pursuant to this Article 6, the entitlement of a Participant to receive any and all amounts in respect of the Vested Restricted Share Units to which such payment relates shall be fully discharged and satisfied and all such Vested Restricted Share Units shall thereupon be cancelled and terminated.
- (c) Notwithstanding any other provision of the Plan or a Grant Agreement, Restricted Share Units granted hereunder shall terminate, if not redeemed or previously terminated and forfeited in accordance with the Plan, and be of no further force and effect after December 31 of the calendar year of the Vesting Date.
- (d) No interest shall accrue to, or be credited to, the Participant or his Beneficiary on any amount payable under the Plan.

ARTICLE 7 GENERAL

7.1 Amendment, Suspension or Termination

The Plan may be suspended or terminated, and the Plan and any Grant awarded pursuant to the Plan may be amended, in whole or in part at any time and for any reason by the Board and without Shareholder approval, provided that no such amendment, suspension or termination shall, unless required by Applicable Law, adversely affect the rights of any Participant with respect to Restricted Share Units granted prior to the date of the amendment without the consent of the affected Participant. Upon termination of the Plan, all unvested Restricted Share Units shall remain outstanding and in effect and continue to vest and be settled in accordance with the terms of the Plan existing at the time of its termination and the applicable Grant Agreement. The Plan will terminate on the date upon which no further Restricted Share Units remain outstanding.

Notwithstanding the foregoing, except as set forth in Section 7.3, the following changes to the Plan will require Shareholder approval in accordance with the requirements of the TSX:

- (a) any amendment increasing the number of Voting Shares in the Share Reserve;
- (b) any amendment to the definition of Eligible Participant to add categories of eligible participants under the Plan;
- (c) any amendment adding new forms of compensation involving the issuance of Voting Shares by WestJet or any of the WestJet Entities, as applicable;
- (d) any amendment to the assignment provisions set forth in Section 7.4;
- (e) any amendment to the Insider participation limits set forth in Section 2.2; and

- (f) any amendment to this Section 7.1 to delete any of (a) through (e) above.

For greater certainty and without limiting this Section 7.1, Shareholder approval shall not be required for the following amendments and the Board may make the following changes without Shareholder approval, subject to any regulatory approvals including, where required, the approval of any TSX:

amendments of a “housekeeping” nature;

- (a) any amendment to comply with the rules, policies, instruments and notices of any regulatory authority to which WestJet or any WestJet Entity, as applicable, is subject, including the TSX, or to otherwise comply with Applicable Law;
- (b) any amendment to the form of Grant Agreement or Beneficiary Designation under the Plan;
- (c) any amendment specifying practices with respect to Applicable Withholding Taxes;
- (d) any amendment, including any amendment or adjustment to any Restricted Share Units outstanding under the Plan, pursuant to Section 4.5;
- (e) amendments required for grants of Restricted Share Units under the Plan to qualify for favourable tax treatment; or
- (f) any amendment suspending or terminating the Plan.

7.2 Compliance with Applicable Law

The administration of the Plan shall be subject to and made in conformity with Applicable Law. Without limiting the generality of the foregoing, WestJet shall not be obliged to issue any Voting Shares if such issuance would violate any Applicable Law. WestJet, in its sole discretion, may postpone the issuance or delivery of Voting Shares in respect of any Vested Restricted Share Units as the Board may consider appropriate, and may require any Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Voting Shares in compliance with Applicable Law. WestJet shall not be required to qualify for resale pursuant to a prospectus or similar document any Voting Shares awarded under the Plan, provided that, if required, WestJet shall notify the TSX and any other appropriate regulatory bodies in Canada of the existence of the Plan and the granting of Restricted Share Units hereunder in accordance with any such requirements.

7.3 Merger and Sale, etc.

- (a) The existence of any Restricted Share Units shall not affect in any way the right or power of WestJet or its Shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in WestJet’s capital structure or its business, or to create or issue any bonds, debentures, shares or other securities of WestJet or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of WestJet, or any amalgamation, combination, merger or consolidation involving WestJet or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.
- (b) Without limiting the generality of the foregoing, in the event that there is any transaction or series of transactions whereby WestJet or all or substantially all of WestJet’s undertaking, property or assets would become the property of any other trust, body corporate, partnership or other person (a “**Successor**”) whether by way of takeover bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, WestJet and the Successor shall execute such instruments and do such things as are necessary, if any, to establish that upon the

consummation of such transaction the Successor will have assumed all the covenants and obligations of WestJet under this Plan and the Grant Agreements outstanding on consummation of such transaction in a manner that substantially preserves and does not impair the rights of the Participants thereunder in any material respect (including the right to receive shares, securities, cash or other property of the Successor in lieu of Voting Shares upon the subsequent vesting of Restricted Share Units). Any such Successor shall succeed to, and be substituted for, and may exercise every right and power of WestJet under this Plan and such Grant Agreements with the same effect as though the Successor had been named as WestJet herein and therein and thereafter, WestJet shall be relieved of all obligations and covenants under this Plan and such Grant Agreements and the obligation of WestJet to the Participants in respect of the Restricted Share Units shall terminate and be at an end and the Participant shall cease to have any further rights in respect thereof including, without limitation, any right to acquire Voting Shares upon vesting of the Restricted Share Units credited to his or her Account.

7.4 Assignment

- (a) The right to receive Voting Shares pursuant to a Grant to a Participant or any Restricted Share Units credited to his or her Account, as applicable, may only be exercised by such Participant personally, and except as otherwise provided in this Plan, no assignment, sale, transfer, pledge or charge of a Grant or any Restricted Share Units credited to a Participant's Account, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Grant or any Restricted Share Units credited to the Participant's Account, as applicable, whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such Grant or Restricted Share Units, as applicable, shall terminate and be of no further force or effect, provided that (i) the rights of a Participant in respect of any Grant or any Restricted Share Units credited to his or her Account are transferable upon death of the Participant, and (ii) the Participant may transfer or assign the rights of a Grant or any Restricted Share Units credited to his or her Account to minor children or grandchildren or a spouse of the Participant, or a trust or a holding company of which the Participant is a trustee or director, and the beneficiaries or shareholders of which are any combination of the Participant, the Participant's spouse or the Participant's minor children or grandchildren, in accordance with such requirements as the Board may from time to time determine.
- (b) Rights and obligations under the Plan may be assigned by WestJet to a Successor in accordance with Section 7.3(b).

7.5 Designation of Beneficiary

Subject to the requirements of Applicable Law, a Participant shall designate in writing an individual as a beneficiary to receive any benefits that are payable under the Plan upon the death of such Participant. The Participant may, subject to Applicable Law, change such designation from time to time. Such designation or change shall be in the form approved by the Board for such purposes. The initial designation of each Participant shall be executed and filed with the People Department at WestJet's head office in Calgary, Alberta: (a) in the case of an existing Participant, within sixty (60) days following the Effective Date of the Plan; or (b) in the case of a new Participant, within sixty (60) days after the his or her date of hire. Changes to such designation may be filed from time to time thereafter, subject to Applicable Law.

7.6 Participation is Voluntary; No Additional Rights

- (a) The participation of any Participant in the Plan is entirely voluntary and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan.

- (b) For greater certainty and without limiting the generality of Section 7.6(a) or the discretion conferred on the Board pursuant to this Plan, the Board's decision to approve a Grant in any period shall not require the Board to approve the grant of a Restricted Share Unit to any Participant in any other period; nor shall the Board's decision with respect to the size or terms and conditions of a Grant in any period require it to approve the grant of Restricted Share Units of the same or similar size or with the same or similar terms and conditions to any Participant in any other period. The Board shall not be precluded from approving the grant of Restricted Share Units to any Participant solely because such Participant may previously have been awarded a Grant under this Plan or any other similar compensation arrangement of WestJet or a WestJet Entity. No Participant has any claim or right to be granted a Restricted Share Unit.
- (c) Without limiting the generality of Section 7.6(a) or Section 7.6(b), neither participation in the Plan nor any action taken under the Plan shall give or be deemed to give any Participant a right to continue in the employ or service of WestJet or any WestJet Entities, and such participation shall not interfere with or limit in any way the right of WestJet or any WestJet Entity to terminate the Participant's employment or service arrangement with WestJet or any WestJet Entity at any time.
- (d) Without limiting the generality of Section 7.6(a) or Section 7.6(b), nothing in this Plan or the Participant's opportunity to participate in this Plan shall be construed to provide the Participant with any rights whatsoever to participate or to continue participation in this Plan, or to compensation or damages in lieu of participation or the right to participate in this Plan upon the termination of the Participant's employment or service arrangement with WestJet or any WestJet Entity, as applicable, for any reason (including, without limitation, any breach of contract by WestJet or any WestJet Entity, as applicable) or in consequence of any other circumstances whatsoever.

7.7 Ceasing to be a WestJet Entity

Except as otherwise provided in this Plan, Restricted Share Units granted under this Plan shall not be affected by any change in the relationship between or ownership of WestJet and a WestJet Entity. For greater certainty, all Restricted Share Units remain valid and exercisable in accordance with the terms and conditions of this Plan and are not affected by reason only that, at any time, any corporation, partnership or trust ceases to be a WestJet Entity.

7.8 Unfunded and Unsecured Plan

Unless otherwise determined by the Board, the Plan shall be unfunded and WestJet will not secure its obligations under the Plan. To the extent any Participant or his or her Beneficiary holds any rights by virtue of a grant of Restricted Share Units under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of WestJet.

7.9 Market Fluctuations

- (a) No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of Voting Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.
- (b) WestJet and the WestJet Entities make no representations or warranties to Participants with respect to the Plan or the Restricted Share Units whatsoever. In seeking the benefits of participation in the Plan, a Participant agrees to exclusively accept all risks associated with a decline in the Fair Market Value of Voting Shares and all other risks associated with the holding of Restricted Share Units.

7.10 Governing Law

The Plan shall be governed by, and interpreted in accordance with, the laws in force in the Province of Alberta.

7.11 Severability

The invalidity or unenforceability of any provision of this Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

APPENDIX "C"

WESTJET AIRLINES LTD. (the "Corporation")

MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the "Board") of the Corporation is responsible for the stewardship of the Corporation. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Corporation. In general terms, the Board will:

- A. in consultation with the chief executive officer of the Corporation (the "CEO"), define the principal objective(s) of the Corporation;
- B. supervise the management of the business and affairs of the Corporation with the goal of achieving the Corporation's principal objective(s) as defined by the Board;
- C. discharge the duties imposed on the Board by applicable laws; and
- D. for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board will perform the following duties:

Strategic Direction, Operating, Capital and Financial Plans

- 1. require the CEO to present annually to the Board a longer range strategic plan and a shorter range business plan for the Corporation's business, which plans must:
 - (a) be designed to achieve the Corporation's principal objectives,
 - (b) identify the principal strategic and operational opportunities and risks of the Corporation's business, and
 - (c) be approved by the Board as a pre-condition to the implementation of such plans;
- 2. approve the annual operating and capital plans;
- 3. monitor and review progress towards the achievement of the Corporation's goals established in the strategic, operating and capital plans and to revise and alter its direction through management in light of changing circumstances;
- 4. identify the principal risks of the Corporation's business and take all reasonable steps to ensure the implementation of the appropriate systems to manage these risks;
- 5. approve issuances of additional common shares or other securities to the public;

Management and Organization

- 6. appoint the CEO and determine the terms of the CEO's employment with the Corporation;
- 7. in consultation with the CEO, develop a position description for the CEO;
- 8. evaluate the performance of the CEO at least annually;

9. in consultation with the CEO, establish the limits of management's authority and responsibility in conducting the Corporation's business;
10. ratify the CEO's appointment of all senior officers of the Corporation at the next quarterly meeting of the Board following such appointment, so long as the CEO consults with members of the Board prior to such appointment;
11. receive annually from the CEO the CEO's evaluation of the performance of each senior officer who reports to the CEO;
12. In consultation with the CEO, approve a system under which succession to senior management positions will occur in a timely manner;
13. approve any proposed significant change in the management organization structure of the Corporation;
14. approve all retirement plans for officers and employees of the Corporation;
15. in consultation with the CEO, establish a communications policy for the Corporation;
16. generally provide advice and guidance to management;

Finances and Controls

17. monitor the appropriateness of the Corporation's capital structure;
18. ensure that the financial performance of the Corporation is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
19. in consultation with the CEO, establish the ethical standards to be observed by all officers and employees of the Corporation and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards;
20. require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by the Corporation and its officers and employees;
21. require that the CEO institute, and maintain the integrity of, internal control and information systems, including maintenance of all required records and documentation;
22. review and approve contracts to be entered into by the Corporation that are un-budgeted and outside the normal operations of the Corporation;
23. recommend to the shareholders of the Corporation a firm of chartered accountants to be appointed as the Corporation's auditors;
24. take all necessary actions to gain reasonable assurance that all financial information made public by the Corporation (including the Corporation's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance;

Governance

25. in consultation with the Chairman of the Board, develop a position description for the Chairman of the Board and if the Chairman of the Board is the CEO, a position description of a Lead Director;
26. facilitate the continuity, effectiveness and independence of the Board by, amongst other things,

- (d) selecting nominees for election to the Board,
- (e) appointing a Chairman of the Board who is not a member of management or if that person is a member of management, appointing a Lead Director;
- (f) appointing from amongst the independent directors an audit committee, a compensation committee and such other committees of the Board as the Board deems appropriate,
- (g) defining the mandate of each committee of the Board,
- (h) ensuring that processes are in place and are utilized to assess the size of the Board, the effectiveness of the Chairman of the Board, the Lead Director, the Board as a whole, each committee of the Board and each director,
- (i) review the orientation and education program for new members to the Board to ensure that it is adequate and effective; and
- (j) establishing a system to enable any director to engage an outside adviser at the expense of the Corporation;

27. review annually the adequacy and form of the compensation of directors.

Delegation

The Board may delegate its duties to and receive reports and recommendations from any committee of the Board.

Meetings

The Board shall meet at least four times per year and/or as deemed appropriate by the Chairman of the Board.

Minutes of each meeting shall be prepared.

The CEO or his designate(s) may be present at all meetings of the Board.

Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Chairman of the Board or the Board.

Approved, amended and ratified to: February 10, 2009.