

Aimia Announces Comprehensive Settlement of Shareholder Litigation and Related Matters

- Pending Legal Proceedings Terminated and Special Meeting of Shareholders Cancelled
- Concurrent Substantial Issuer Bids to Return up to \$125 Million to Preferred and Common Shareholders
- Process Established to Reconstitute Board

MONTREAL, Nov. 18, 2019 /CNW/ - Aimia Inc. (TSX: AIM) ("**Aimia**" or the "**Company**") today announced it has entered into a comprehensive settlement agreement (the "**Agreement**") with Mittleman Brothers LLC and its wholly-owned subsidiary Mittleman Investment Management LLC (together, "**Mittleman**"), which together beneficially own or exercise control or direction over approximately 23.1% of the Company's issued and outstanding common shares, and with Charles Frischer, the leader of a group of requisitioning shareholders (together, the "**Requisitioning Shareholders**") who collectively owned not less than 5% of the Company at the time they requisitioned a special meeting of Aimia's shareholders, which the Company announced would be held on January 24, 2020 (the "**Special Meeting**").

Under the terms of the Agreement, the parties have agreed to a governance process with a view to reconstituting the Board no later than February 28, 2020, and in advance of the next annual meeting of shareholders, to be held no later than April 30, 2020 (the "**2020 Annual Meeting**"). In addition, the requisition of the Special Meeting has been withdrawn by the Requisitioning Shareholders and, as such, the Special Meeting has been cancelled. Aimia and Mittleman have also agreed to take all steps to have all legal proceedings between them and the current and former directors who are party to the such proceedings dismissed with prejudice as soon as practicable.

Concurrently with the Agreement and as separately announced today, Aimia's Board of Directors (the "**Board**") also approved a further capital return to both preferred and common shareholders by way of concurrent substantial issuer bids for an aggregate purchase price of up to \$125 million (the "**Offers**"). Investors are urged to consult the press release providing details of the concurrent substantial issuer bids, as issued separately by the Company today.

Bill McEwan, Chairman of the Board of Directors, commented, "Aimia's Board has reached a constructive outcome with Mittleman Brothers, the Company's largest shareholder, and with the lead requisitioning shareholder, Charles Frischer, setting in motion a disciplined governance process to reconstitute the Board well ahead of the 2020 Annual Meeting. We believe that the settlement agreement provides a binding framework that is intended to protect and advance the interests of the Company and its stakeholders, while allowing the Company to move past the existing litigation and settle the uncertainty regarding upcoming director elections."

Added McEwan, "The Board also unanimously approved an additional and significant voluntary share repurchase to provide liquidity and optionality to all our preferred and common shareholders in transactions designed to be accretive and value-enhancing. Together, the settlement and the issuer bids enable shareholders to make informed choices regarding access to liquidity and the future of Aimia. We believe that these actions ensure that a disciplined governance process is in place to allow the existing business to continue on its path to profitability and bring in new perspective and stewardship to help identify opportunities to create value for the Company over the long term."

Additional Details of the Agreement

In connection with the Agreement, the Board has formed a new committee of independent directors (the "**Ad Hoc Nominating Committee**"), composed of three of the existing members of Aimia's Governance and Nominating Committee as well as Philip Mittleman, to identify and evaluate director nominees with a view to nominating six new non-management directors, including two new independent directors. In addition to Philip Mittleman remaining on the Board, Mittleman has the right to nominate two individuals for election as directors (and it has already designated Mr. Charles Frischer, the lead Requisitioning Shareholder, as one of the Mittleman nominees). Two of the three other individuals previously proposed for election by the Requisitioning Shareholders, as unanimously determined by the Ad Hoc Nominating Committee, along with the two new independent directors unanimously determined by the Ad Hoc Nominating committee, will also be nominated for election as directors. All new director nominees will be

subject to customary background checks and due diligence to be performed by the Ad Hoc Nominating Committee. The parties have also agreed to endeavour to reconstitute the Board in accordance with these principles as soon as practicable and in any event by no later than the close of business on February 28, 2020.

All six of the Company's current, non-management directors, excluding Philip Mittleman, have confirmed that they do not intend to and will not stand for election to the Board at the 2020 Annual Meeting.

The shareholders that are parties to the Agreement have agreed and undertaken to vote all common shares of Aimia controlled by them and their affiliates and associates in favour of all of the independent nominee directors for election at the 2020 Annual Meeting as well as to customary standstill, voting and related provisions, ending on December 31, 2020.

For the period commencing upon the date of the Agreement and ending on the earlier of (i) the date of the 2020 Annual Meeting, and (ii) the date on which the Board is fully reconstituted in accordance with the Agreement, the Company has also agreed that it will not proceed, without the consent of Mittleman, not to be unreasonably withheld, with certain non-ordinary course transactions or corporate actions, including any equity or debt financings, acquisitions or dispositions of shares or assets, or any capital returns or special dividends, except for the Offers announced today and regular quarterly dividends on the outstanding preferred shares. Such covenants are also subject to a "fiduciary out" provision in connection with certain unsolicited proposed transactions.

In the event the Ad Hoc Nominating Committee is unable, for whatever reason, to agree on recommendations for the new independent director nominees by February 28, 2020, then, except for certain specific provisions, the Agreement will fall away and terminate, and (i) the Board would be reconstituted with the three Mittleman nominees (including Philip Mittleman and Charles Frischer) and two of the three other individuals previously proposed for election by the Requisitioning Shareholders (as designated by Charles Frischer), and (ii) the 2020 Annual Meeting would still be held by no later than April 30, 2020.

A copy of the Agreement will be filed with the applicable Canadian securities regulatory authorities and made available on SEDAR at www.sedar.com.

About Aimia

Aimia Inc. (TSX: AIM) operates a loyalty solutions business, which is a well-recognized, global full-service provider of next-generation loyalty solutions for many of the world's leading brands in the retail, CPG, travel & hospitality, financial services and entertainment verticals.

Aimia is focused on growing earnings through its existing business and investments, including the Club Premier program in Mexico, which it jointly controls with Aeromexico through its investment in PLM, and an investment alongside Air Asia in travel technology company BIGLIFE, the operator of BIG Loyalty.

For more information about Aimia, visit corp.aimia.com.

Forward-Looking Statements

Forward-looking statements are included in this release. These forward-looking statements are identified by the use of terms such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and "should" and similar terms and phrases, including references to assumptions. Such statements may involve but are not limited to comments with respect to strategies, expectations, planned operations, future actions or the results of the Offers.

Forward-looking statements, by their nature, are based on assumptions and are subject to important risks and uncertainties. Any forecasts, predictions or forward-looking statements cannot be relied upon due to, among other things, changing external events and general uncertainties of the business and its corporate structure. Results indicated in forward-looking statements may differ materially from actual results for a number of reasons. The forward-looking statements contained herein represent Aimia's expectations as of November 18, 2019, and are subject to change after such date.

However, Aimia disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

SOURCE Aimia Inc.

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