



# AIR CANADA

[News Releases](#)

## Groupe Aeroplan Inc. announces secured loan to Air Canada

MONTREAL, June 29 /CNW Telbec/ - Groupe Aeroplan Inc. announced today that Aeroplan Canada Inc. ("Aeroplan") and Air Canada have agreed to immediately unwind the acceleration of payment terms in effect as a result of an agreement entered into in November 2008. Under the agreement, Aeroplan had temporarily accelerated the payment terms for air travel rewards purchased from Air Canada. Air Canada remitted to Aeroplan approximately \$40M to reverse amounts remaining on this date, related to accelerated payments previously disbursed. The effect of this arrangement would have reversed by the end of the third quarter of 2009.

Concurrent with the repayment by Air Canada of all remaining amounts previously accelerated, Aeroplan has agreed to make available to Air Canada, on a secured basis, a revolving loan to replace the existing prepayment arrangement. The loan is in an amount equal to the aggregate of the previous 60 days accumulated purchases by Aeroplan of reward seats from Air Canada (the "Borrowing Entitlement"), up to a maximum of \$100M. Subject to compliance with applicable covenants, the loan will be available for monthly draw-downs through to June 2010 and is secured by Air Canada's interest in Air Canada Vacations. As long as any amount is outstanding under this loan, the Air Canada Vacation shares will also secure all of Air Canada's obligations to Aeroplan under the commercial participation services agreement. If the amount outstanding on a draw-down date exceeds the Borrowing Entitlement, Aeroplan will set off such amount against any obligations owing by Aeroplan to Air Canada. Air Canada made an initial draw-down under the loan of \$79M.

This announcement has no impact on the Aeroplan program or its members.

About Groupe Aeroplan Inc.

Groupe Aeroplan Inc. is a leading international loyalty management corporation. Groupe Aeroplan owns Aeroplan, Canada's premier loyalty program and Nectar, the United Kingdom's leading coalition loyalty program. In the Gulf Region, Groupe Aeroplan owns 60 per cent of Rewards Management Middle East, the operator of Air Miles programs in the United Arab Emirates, Qatar and Bahrain. Groupe Aeroplan also operates Insight & Communication, a customer-driven insight and data analytics business offering international services to retailers and their suppliers.

For more information about Groupe Aeroplan, please visit [www.groupeaeroplan.com](http://www.groupeaeroplan.com).

For further information:

For further information: Media: Michèle Meier, (514) 205-7028, [michele.meier@aeroplan.com](mailto:michele.meier@aeroplan.com); JoAnne Hayes, (416) 352-3706, [joanne.hayes@aeroplan.com](mailto:joanne.hayes@aeroplan.com); Analysts and Investors: Trish Moran, (416) 352-3728, [trish.moran@aeroplan.com](mailto:trish.moran@aeroplan.com)

---

A STAR ALLIANCE MEMBER

