

Aeroplan Transforms Program to Deliver Outstanding Loyalty Experience

Aeroplan launches new member recognition program, significantly improves value with new Market Fare Flight Rewards and cancels policy that expires Aeroplan Miles older than 7 years

MONTREAL, June 27, 2013 /CNW Telbec/ - Aeroplan, Canada's premier coalition loyalty program, announced today groundbreaking enhancements to the program that will be implemented on January 1, 2014, including:

- The launch of Distinction, a new tiered recognition program that rewards top accumulating members, based on total Aeroplan Miles earned across all coalition partners, with preferential mileage levels for redemption, bonus mile offers and exclusive privileges;
- New Market Fare Flight Rewards to replace ClassicPlus Flight Rewards, offering significantly improved value, with all members having access to mileage levels reduced by up to 20%, and Distinction members enjoying reductions of up to 50%; and
- The cancellation of the seven-year mileage redemption policy, with Aeroplan Miles no longer expiring for members active in the program each year.

"The enhancements we're announcing today are the most significant changes we've made in the Aeroplan program's history," said Vince Timpano, President and Chief Executive Officer, Canada, Aimia. "2014 will mark a new era for Aeroplan as we take the program to a whole new level, providing members with an unrivalled loyalty experience. We're redesigning core parts of the program, delivering what is most important to our members, while reinforcing Aeroplan's position as the leading premium coalition loyalty program in Canada for years to come."

Aeroplan's recognition program - Distinction

Benefits of Distinction:

Benefits begin as of January 1, 2014 and include:

- Exclusive flight reward benefits with significantly better value on new Market Fare Flight Rewards;
- Special flights to popular destinations during peak periods with 100% of the seats reserved for Distinction members and offered at ClassicFlight reward mileage levels;
- Bonus mile offers on eligible Air Canada flights, with select hotel partners, and through Aeroplan's eStore;
- Preferential treatment, privileges and limited-time offers, special partner and reward offers and invitations to exclusive events.

Distinction Levels:

Distinction is a unique member recognition program independent from Air Canada's Altitude program. Distinction levels are achieved based on miles earned across all coalition partners including airline, travel, retail and financial card partners.

Distinction includes three status levels based on a member's total eligible¹ mileage accumulation:

- dSilver 25,000 miles accumulated during the calendar year;
- dBlack 50,000 miles accumulated during the calendar year;
- dDiamond 100,000 miles accumulated during the calendar year.

The Distinction qualification period begins on January 1st of each calendar year and ends on December 31st of the same year. For this special launch year, if members reach Distinction status by December 31, 2013, their benefits will take effect on January 1, 2014 and last until December 31, 2014. After 2013, benefits will start as soon as a member successfully reaches a Distinction level, and will last until the end of the following calendar year.

Market Fare Flight Rewards

In addition to Aeroplan's ClassicFlight Rewards, which remain the most competitive in Canada, offering extraordinary value with Air Canada and any one of the 27 Star Alliance member airlines at low fixed mileage levels, members will also benefit from better flight reward value in 2014. As of January 1, 2014, new Market Fare Flight Rewards will replace ClassicPlus Flight Rewards, offering members significantly improved value, starting at up to 20% fewer miles required for redemption, with Distinction members enjoying reductions of up to 50%. Market Fare Flight Rewards' access to every available seat on flights operated by Air Canada, at variable mileage levels derived from fares at time of booking, will be unrivalled in the industry and will offer fantastic value to members.

"Air Canada welcomes the significant program improvements Aeroplan is announcing today. Enjoying travel is the most popular use for Aeroplan Miles and these enhancements will benefit all members by making redemptions more attractive while recognizing our shared best customers. With these changes, Canada's leading loyalty program becomes even more appealing and the partnership of Air Canada and Aeroplan stronger," said Craig Landry, Vice President of Marketing at Air Canada.

Cancellation of the seven-year mileage redemption policy

As part of its commitment to improve member satisfaction, Aeroplan is pleased to announce the cancellation of its seven-year mileage redemption policy. Prior to this announcement, miles unredeemed seven years following their accumulation date would have been removed from member accounts starting January 1, 2014. As a result, miles will not expire as long as members stay active in the program by having at least one accumulation or redemption activity every 12 months. To find out more, please visit: www.aeroplan.com/7year or www.aeroplan.com/FAQ.

"Member feedback has inspired these major enhancements and significantly improved benefits that we're bringing to the program," said Kevin O'Brien, Chief Commercial Officer, Aeroplan. "We're proud to be raising the bar in loyalty, giving Aeroplan Members better flight reward value, more time to redeem and the greater recognition they deserve."

Additional changes to mileage levels for flight rewards

As of January 1, 2014, mileage levels for one-way flight rewards will decrease and require only 50% of the miles needed for a round-trip flight. For example, North American one way long haul fares in economy will be reduced from 17,000 miles to 12,500 miles and European one way fares will go from 40,000 miles to 30,000 miles starting January 1st.

In addition, mileage levels for certain international routes (to/from North America to Australia, New Zealand & South Pacific; Middle East and North Africa; and Asia) for business and first class ClassicFlight Rewards will increase as of January 1, 2014. For more information, please review the details of the ClassicFlight Rewards mileage level changes here: www.aeroplan.com/changes.

To spread the word, Aeroplan will be communicating directly to members through its own communication channels, in addition to reaching a wider audience via a mass advertising campaign that includes print, digital, radio, billboards, and airport advertising.

For more information on Distinction and its privileges, please visit: www.aeroplan.com/distinction.

Note:

1. Eligible Miles for the purposes of Distinction include most miles earned across Aeroplan coalition partners including airline, travel, retail and financial card partners but may not include certain bonus miles, miles accumulated through conversion programs, and certain other forms of accumulation. For a full list of terms and conditions, please see http://distinction.aeroplan.com/assets/files/terms-and-conditions.pdf.

About Aeroplan

Aeroplan, Canada's premier coalition loyalty program, is owned by Aimia Inc., a global leader in loyalty management.

Aeroplan's millions of members earn Aeroplan Miles with its growing network of over 75 world-class partners, representing more than 150 brands in the financial, retail, and travel sectors.

In 2012, approximately 2.3 million rewards were issued to members including more than 1.6 million flights on Air Canada and Star Alliance carriers which offer travel to more than 1,000 destinations worldwide. In addition to flights, members also have access to over 1,000 exciting specialty, merchandise, hotel, car rental and experiential rewards.

For more information about Aeroplan, please visit www.aeroplan.com or www.aimia.com.

SOURCE: Aeroplan

For further information:

Christa Poole Aeroplan 416-352-3745 <u>christa.poole@aimia.com</u>

