

Dated: August 25, 2017

DIVERSIFIED ROYALTY CORP.

and

AM ROYALTIES LIMITED PARTNERSHIP

and

AIMIA INC.

and

AIR MILES INTERNATIONAL TRADING B.V.

ASSET PURCHASE AGREEMENT

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THIS ASSET PURCHASE AGREEMENT is dated as of August 25, 2017, by and among:

- (1) **DIVERSIFIED ROYALTY CORP.**, a corporation existing under the laws of Canada (**DIV**);
- (2) **AM ROYALTIES LIMITED PARTNERSHIP**, a limited partnership existing under the laws of the Province of British Columbia (the **Purchaser**);
- (3) **AIMIA INC.**, a corporation existing under the laws of Canada (**Aimia**); and
- (4) **AIR MILES INTERNATIONAL TRADING B.V.**, a *Besloten Vennootschap* existing under the laws of the Netherlands (the **Seller**).

RECITALS:

- (A) Aimia directly or indirectly owns all of the issued and outstanding voting securities of the Seller.
- (B) The Seller owns the Purchased Assets (as defined below).
- (C) DIV directly or indirectly owns all of the limited partnership interests of the Purchaser and has formed the Purchaser to acquire all of the Purchased Assets on the terms and subject to the conditions set forth in this Agreement.
- (D) The Seller wishes to sell, assign and transfer to the Purchaser, and the Purchaser wishes to purchase from the Seller the Purchased Assets, upon the terms and subject to the conditions set out in this Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

**Article 1
Interpretation**

1.1 Definitions

Capitalized terms used in this Agreement shall have the meanings set forth below. Other capitalized terms used in this Agreement and defined elsewhere in the text of this Agreement shall have the definitions assigned to such terms elsewhere in this Agreement and, unless otherwise indicated, shall have such meaning throughout this Agreement.

Affiliate means a Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with a specified Person. A Person shall be deemed to control another Person if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

Agreement means this asset purchase agreement together with the Disclosure Letter and schedules attached to it or otherwise forming part of it, as the same may be amended, restated, replaced, supplemented or novated from time to time.

Aimia has the meaning specified in the Preamble.

Assumed Liabilities means all liabilities and obligations incurred, or arising in respect of any period on or after the Effective Time in connection with the ownership or use of the Purchased

Assets, including all liabilities and obligations under the Canadian License and Royalty Agreements incurred or arising in respect of any period on or after the Effective Time.

Authorization means, with respect to any Person, any order, permit, approval, consent, waiver, licence or other authorization issued, granted, given or authorized by, or made applicable under the authority of, any Governmental Authority having jurisdiction over the Person.

Bank of Montreal Agreement [Redacted – description of agreement.]

Basket has the meaning specified in Section 7.6(b).

Books and Records is to be interpreted broadly and includes all agreements, documents, books, records, emails, other communications and files, including records and files stored on computer disks or tapes or any other storage medium.

Business Records means originals (or failing that copies) which are in the possession or control of Aimia, the Seller or their Affiliates of (i) all Books and Records of Aimia, the Seller or their Affiliates used exclusively in the business of licensing of the Canadian Air Miles Program Know-How and the Canadian Trademarks under the Canadian License and Royalty Agreements (including, customer lists, sales information, payment history, pricing information, presentations, catalogs, promotional materials, data, production records and plans); and (ii) all other Books and Records of Aimia, the Seller Parties and their Affiliates reasonably necessary to conduct the business of licensing of the Canadian Air Miles Program Know-How and the Canadian Trademarks under the Canadian License and Royalty Agreements as currently conducted from and following the Closing (including historical information that may be reasonably required to respond to legal proceedings and similar legal or regulatory requirements), other than, in each case, Books and Records directly related to the negotiation, execution and delivery of this Agreement and the transactions contemplated hereunder and all bids received from other parties and analyses produced in connection with the sales process organized and managed by Evercore Partners Canada Ltd. with respect to the transactions contemplated hereunder.

Business Day means any day, other than a Saturday, Sunday or statutory or civic holiday in Vancouver, British Columbia or Montreal, Quebec.

Canadian Air Miles Program Know-How means the know-how, processes, trade secrets, confidential information, unpatented inventions, studies and data, marketing strategies, sponsor and/or supplier information, manuals, technology, research and development reports, technical information, technical assistance and similar materials recording or evidencing expertise or information, advertising and promotional materials and other intellectual property of the Seller or its Affiliates related to the Air Miles program in Canada subsisting as of the date hereof, including the AMIT Know-How (as defined in the Amended and Restated License to use and Exploit the Air Miles Scheme in Canada dated July 24, 1998 between the Seller and Loyalty Management Group Canada Inc., as such agreement has been amended, modified, supplemented, assigned and novated from time to time).

Canadian License and Royalty Agreements means the license and royalty agreements and similar contractual rights or permissions, whether exclusive or nonexclusive, related to the Canadian Trademarks and/or the Canadian Air Miles Program Know-How and including all modifications, assignments, amendments and supplements thereto and waivers thereunder and novations thereof, all as listed in Section 1.1(A) of the Disclosure Letter.

Canadian Trademarks means the registered and unregistered trademarks, service marks, brands, certification marks, logos, trade dress, trade names, business names, Uniform Resource Locator, domain names and other similar indicia of source or origin and all registrations, applications for registration, and renewals thereof of the Seller or its Affiliates related to the Air

Miles program in Canada as of the date hereof, including those listed in Section 1.1(B) of the Disclosure Letter.

Ceiling has the meaning specified in Section 7.6(c).

Closing has the meaning specified in Section 2.8(a).

Concurrent Use Agreement (1994) means the Concurrent Use Agreement dated May 13, 1994 between the Seller, Air Miles International Holdings N.V., Air Miles Travel Promotions Limited, Loyalty Management Group, Inc., Loyalty Management Group Canada Inc. and AMI Funding, Inc.

Confidential Information means, in respect of a Party, all information relating to that Party which at the time is of a confidential nature (whether or not specifically identified as confidential), is known or should be known by the other relevant Party or its representatives as being confidential, and has been or is from time to time made known to the relevant other Party or any of its representatives as a result of the matters provided for in this Agreement. Notwithstanding the foregoing, Confidential Information does not include any information that at the time has become generally available to the public other than as a result of a disclosure by the other Party or any of its representatives, any information that was available to the other Party or its representatives on a non-confidential basis before the date of this Agreement or any information that becomes available to the other Party or its representatives on a non-confidential basis from a Person (other than the Party to which the information relates or any of its representatives) who is not, to the knowledge of the other Party or its representatives, otherwise bound by confidentiality obligations to the Party to which the information relates in respect of the information or otherwise prohibited from transmitting the information to the other Party or its representatives.

Confidentiality Agreement means the confidentiality agreement dated June 6, 2017 between Aimia and DIV.

Damages has the meaning specified in Section 7.1.

Disclosure Letter means the disclosure letter dated the date hereof regarding this Agreement that has been delivered by Aimia and the Seller to DIV and the Purchaser.

Effective Time means the first moment of the day on the date hereof.

Event of Acceleration means (a) the sale or transfer of all or substantially all of the Purchased Assets (whether by sale of shares, sale of assets, merger or otherwise, other than the sale and transfer of the Purchased Assets contemplated under this Agreement or the sale or transfer to an Affiliate of DIV or the Purchaser) or (b) the sale, merger, business combination or change of control of DIV or a change of control of the Purchaser, excluding, for greater certainty, a change of control of the Purchaser (as long as it remains an Affiliate of DIV) as part of an internal corporate reorganization of the Purchaser.

Excluded Assets means any of the following property, assets, rights or interests of the Seller or its Affiliates:

- (a) all rights and benefits under all license and royalty agreements and similar contractual rights or permissions, whether exclusive or nonexclusive related to the Air Miles program outside of Canada (including, without limitation, in Spain, the Netherlands, the United Kingdom and the Middle East);
- (b) all know-how, processes, trade secrets, confidential information, unpatented inventions, studies and data, marketing strategies, sponsor and/or supplier information, manuals, technology, research and development reports, technical information, technical

assistance and similar materials recording or evidencing expertise or information, advertising and promotional materials and other intellectual property related to the Air Miles program outside of Canada (including, without limitation, in Spain, the Netherlands, the United Kingdom and the Middle East); and

- (c) Books and Records related to the Air Miles program outside of Canada (including, without limitation, in Spain, the Netherlands, the United Kingdom and the Middle East);
- (d) any claims, refunds, causes of action, rights of recovery, rights of set-off and rights of recoupment of the Seller directly related to the Purchased Assets which have arisen or arise in respect of any period prior to the Effective Time, and the interest of the Seller in any litigation and in the proceeds of any judgment, order or decree issued or made in respect thereof in respect of occurrences, events, accidents or losses suffered which are directly related to the Purchased Assets and have arisen or arise in respect of any period prior to the Effective Time; and
- (e) any assets of any kind whatsoever, including intellectual property rights or related items, not listed in Section 1.1(A) or Section 1.1(B) of the Disclosure Letter.

Excluded Liabilities has the meaning specified in Section 2.4(b).

Financial Information Statements has the meaning specified in Section 3.18.

Fundamental Reps has the meaning specified in Section 7.5(b).

Governmental Authority means any (a) multinational, federal, provincial, territorial, state, municipal, local or other governmental or public department, central bank, court, commission, board, arbitrator, tribunal, bureau or agency, domestic or foreign, (b) any subdivision or authority of any of the above, or (c) any quasi-governmental or private body exercising any regulatory, expropriation or tax authority under or for the account of any of the above.

Indemnified Person has the meaning specified in Section 7.3(a).

Indemnifying Party has the meaning specified in Section 7.3(a).

Indemnity Representative means (a) where the Indemnified Person is a Purchaser Indemnified Person, the Purchaser, or (b) where the Indemnified Person is a Seller Indemnified Person, the Seller.

Laws means any and all (a) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and municipal by-laws and (b) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings or awards of any Governmental Authority, in each case, only to the extent that such Law is in effect at the date hereof.

Lien means any lien, mortgage, charge, pledge, hypothec, security interest or other encumbrance or arrangement which, in substance, secures payment or performance of an obligation.

Material Adverse Change or **Material Adverse Effect** means, with respect to any event, matter or circumstance, any change or effect that individually or when taken together with all other changes or effects that have occurred during any relevant period of time before the determination of the occurrence of that change or effect, is or is reasonably likely to be materially adverse to the Purchased Assets taken as whole; provided however, that any change or effect related to or

resulting from the following matters will not constitute a Material Adverse Change or Material Adverse Effect:

- (a) any event affecting the Canadian or North American economy or capital or financial markets generally, including changes in interest rates and changes in exchange rates;
- (b) a general downturn or other changes to, or developments in, the conditions affecting the industry in which the Seller or LoyaltyOne, Co. primarily operates;
- (c) any adoption, implementation or change, or proposed adoption, implementation or change, of or in any applicable Law or any change in the interpretation, application or non-application of any applicable Law by any Governmental Authority;
- (d) any change in global, national or regional political conditions, any acts of war, sabotage or terrorism (or any escalation or worsening of any such acts of war, sabotage or terrorism or any governmental or other response or reaction to any such acts of war, sabotage or terrorism) or any natural disaster;
- (e) any change in any applicable accounting standard;
- (f) the announcement of the execution of this Agreement or the transactions contemplated hereby, the pendency of the completion of the transactions contemplated hereby, the performance of any obligation contemplated hereunder or the completion of any of the transactions contemplated hereby; or
- (g) any changes arising from actions taken or omitted to be taken (i) by DIV or the Purchaser or (ii) by Aimia or the Seller in accordance with this Agreement, at the request of DIV or the Purchaser or consented to or approved by DIV or the Purchaser in writing;

provided, however, that each of the clauses (a) and (b) above shall not apply to the extent that any of the changes, effects, events or occurrences referred to therein relate primarily to (or have the effect of relating primarily to) the Seller's or LoyaltyOne, Co.'s business of running the Air Miles loyalty program in Canada, taken as a whole, or disproportionately adversely affect the Seller or LoyaltyOne, Co.'s business of running the Air Miles loyalty program in Canada, taken as a whole, in comparison to other Persons who operate in the same or similar industry as the Seller or LoyaltyOne, Co., as applicable.

Material Contract means a contract:

- (a) creating or granting a Lien (other than Permitted Liens) over all or any of the Purchased Assets;
- (b) which is outside the Ordinary Course of the business of the Seller and directly relates to the Purchased Assets;
- (c) by the Seller or any of its Affiliates which is directly related to the Purchased Assets and in respect of which has in the year ended December 31, 2016 involved or could reasonably be expected to involve aggregate payments to or by the Seller or any of its Affiliates of more than \$50,000; and
- (d) the Canadian License and Royalty Agreements.

Maximum Reverse Earnout Consideration means \$13,750,000.

Ordinary Course means, with respect to an action taken by a Person, that the action is consistent with the past practices of the Person.

Parties means the Seller, Aimia, the Purchaser, DIV and any other Person who may become a party to this Agreement.

Permits means any permit, approval, consent, authorization, license, registration, variance, permission, in each case, that is issued by or granted by a Governmental Authority under any Law.

Permitted Lien means Liens for Taxes and other governmental charges or levies that are not due and payable, are being contested in good faith by appropriate proceedings or may thereafter be paid without penalty, and minor registration defects, irregularities or imperfections which, individually or in the aggregate, do not materially impair the continued use of the asset or property to which they relate.

Person means a natural person, partnership, limited partnership, limited liability partnership, syndicate, sole proprietorship, corporation or company (with or without share capital), limited liability company, stock company, trust, unincorporated association, joint venture or other entity or Governmental Authority.

Purchase Price has the meaning specified in Section 2.2.

Purchased Assets means the following properties, assets, undertaking and rights owned by the Seller or to which the Seller is entitled, together with the goodwill and all intellectual property and similar proprietary rights directly associated therewith and symbolized thereby:

- (a) the Canadian License and Royalty Agreements;
- (b) the Canadian Trademarks;
- (c) the Canadian Air Miles Program Know-How; and
- (d) the Business Records,

but excluding, for greater certainty, the Excluded Assets.

Purchaser has the meaning specified in the Preamble.

Purchaser Indemnified Persons has the meaning specified in Section 7.1.

Reverse Earnout Agreement means the renewal, extension or other form of continuation of the Bank of Montreal Agreement in writing or the entering into of any written agreement by LoyaltyOne, Co. with respect to the participation in the Air Miles loyalty program run by LoyaltyOne, Co. in Canada with any of Royal Bank of Canada, Canadian Imperial Bank of Commerce, The Toronto-Dominion Bank or Bank of Nova Scotia (or any of their respective Affiliates), in each case, having a Term of at least **[Redacted – length of term]**.

Reverse Earnout Amount means, the amount set forth below under the heading: (i) “*Reverse Earnout Amount – [Redacted – length of term] Term*” where the Reverse Earnout Agreement has a Term of at least **[Redacted – length of term]** but less than **[Redacted – length of term]**; or (ii) “*Reverse Earnout Amount – [Redacted – length of term] Term*” where the Reverse Earnout Agreement has a Term of **[Redacted – length of term]** or more years, in each case, set out opposite the applicable amount of Reverse Earnout Royalties set forth under the heading “*Reverse Earnout Royalties*” below:

Reverse Earnout Amount [Redacted – length of term] Term [Redacted – dollar amount]	Reverse Earnout Amount [Redacted – length of term] Term [Redacted – dollar amount]	Reverse Earnout Royalties
[Redacted – dollar amount]	[Redacted – dollar amount]	Greater than or equal to [Redacted – dollar amount]
[Redacted – dollar amount]	[Redacted – dollar amount]	Less than [Redacted – dollar amount] and greater than or equal to [Redacted – dollar amount]
[Redacted – dollar amount]	[Redacted – dollar amount]	Less than [Redacted – dollar amount] and greater than or equal to [Redacted – dollar amount]
[Redacted – dollar amount]	[Redacted – dollar amount]	Less than [Redacted – dollar amount]

Reverse Earnout Period means, in the event that a Reverse Earnout Agreement is duly executed and in effect on or prior to [Redacted –date], the 12 months following the beginning of the calendar quarter immediately following the quarter in which a Reverse Earnout Agreement is duly executed and in effect (for example, if a Reverse Earnout Agreement is duly executed and in effect on [Redacted –date], then the Reverse Earnout Period would commence [Redacted – date] and end March [Redacted –date]). For greater certainty, the Reverse Earnout Period shall never commence and no Reverse Earnout Amount shall be payable by the Purchaser if a Reverse Earnout Agreement is not duly executed and in effect on or prior to [Redacted –date].

Reverse Earnout Royalties means the aggregate royalties paid by LoyaltyOne, Co. or any of its Affiliates to Purchaser or any of its Affiliates under the Canadian License and Royalty Agreements in respect of the Reverse Earnout Period.

Rights has the meaning specified in Section 2.10.

SEDAR means the System for Electronic Document Analysis and Retrieval.

Seller has the meaning specified in the Preamble.

Seller Indemnified Persons has the meaning specified in Section 7.2.

Tax Authority means any Governmental Authority which has a principal purpose of administering the imposition of Taxes.

Tax Return means any return, report, declaration, information return, designation, election or other document filed or required to be filed with any Tax Authority with respect to Taxes, including any amendments thereof.

Taxes means any federal, state, provincial, municipal or foreign income, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, gross receipt, value-added, excise, withholding, business, property, occupancy, employer health, payroll, or other tax, duty, fee, assessment or similar charge imposed by any Tax Authority.

Term means, with respect to a Reverse Earnout Agreement, the term of such agreement as set forth therein excluding any unexercised renewal terms and any periods prior to the date hereof.

Third Party Claim has the meaning specified in Section 7.3(a).

Transaction Documents means all agreements, certificates and other instruments or documents delivered or given pursuant to this Agreement at or before Closing.

TSX Notice means the notice of the transactions contemplated herein to be provided by DIV to the Toronto Stock Exchange pursuant to the terms of Part V of the TSX Company Manual, if required.

1.2 Gender and Number

In this Agreement, unless there is something in the subject matter or context inconsistent therewith, (a) words in the singular number include the plural and are to be construed as if the plural had been used and *vice versa*, and (b) words importing the use of any gender include all genders where the context or party referred to so requires, and the rest of the sentence is to be construed as if the necessary grammatical changes had been made.

1.3 Certain Phrases and Calculation of Time

In this Agreement, unless otherwise specified:

- (a) the words “including” and “includes” mean “including (or includes) without limitation”;
- (b) “Article” and “Section” followed by a number mean and refer to the specified Article or Section of this Agreement;
- (c) the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding”; if the last day of any such period is not a Business Day, such period will end on the next Business Day; and
- (d) when calculating the period of time “within” which or “following” which any act or event is required or permitted to be done, notice given or steps taken, the date which is the reference date in calculating such period is to be excluded from the calculation. If the last day of any such period is not a Business Day, such period will end on the next Business Day.

1.4 Headings, etc.

The inclusion of a table of contents and the insertion of headings are for convenient reference only and are not to affect or be used in the construction or interpretation of this Agreement.

1.5 Disclosure Letter and Schedules

The Disclosure Letter and the schedules attached to this Agreement are incorporated by reference into this Agreement and form an integral part hereof.

1.6 Purpose of the Disclosure Letter

- (a) The purpose of the Disclosure Letter is to set out the qualifications, exceptions and other information called for in this Agreement. The disclosure of any fact or item in any section of the Disclosure Letter shall be deemed to be an exception to (or, as applicable, a disclosure for purposes of) (i) the representations and warranties of Aimia and the Seller that are contained in the corresponding Section of this Agreement; and (ii) any other representations and warranties of Aimia and the Seller contained in this Agreement which are specifically identified by cross-reference in the Disclosure Letter.
- (b) The Parties acknowledge and agree that the Disclosure Letter and the information and disclosures contained therein do not constitute or imply, and will not be construed as:

- (i) any additional representation, warranty, covenant or agreement which is not expressly set out in this Agreement;
 - (ii) an admission of any liability of any of Aimia or the Seller; or
 - (iii) establishing a standard of materiality.
- (c) Disclosure of any information in the Disclosure Letter that is not strictly required under this Agreement has been made for information purposes only and does not imply disclosure of all matters of a similar nature.

1.7 Currency

In this Agreement, unless otherwise specified, all references to dollars or to \$ are references to Canadian dollars.

1.8 Instruments and Statutes

Any agreement, instrument or statute (including any specific provision) defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute (including any specific provision and in the case of a statute any regulations promulgated thereunder) as amended, restated, replaced, modified, qualified or supplemented as of the date of this Agreement, including (in the case of agreements and instruments) by waiver or consent and (in the case of statute) by succession of comparable successor statutes and all attachments thereto and instruments incorporated therein.

1.9 No Presumption

The Parties and their counsel have participated jointly in the negotiation and drafting of this Agreement and each of the Transaction Documents. If an ambiguity or a question of intent or interpretation arises, this Agreement and each of the Transaction Documents are to be construed as if drafted jointly by the Parties. No presumption or burden of proof should arise in favour of any Party by virtue of the authorship of any provision of this Agreement or any of the Transaction Documents.

1.10 Governing Law; Submission to Jurisdiction

- (a) This Agreement is governed by and is to be interpreted, construed and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to conflict of law principles.
- (b) Each of the Parties irrevocably attorns and submits to the exclusive jurisdiction of the courts of Ontario in any action or proceeding arising out of or relating to this Agreement. Each of the Parties waives objection to the venue of any action or proceeding in such court or any argument that such court provides an inconvenient forum.

1.11 Knowledge

In this Agreement, the phrase “to the knowledge of” any Person, “known to” any Person, “of which it is aware” or any similar phrase means, unless otherwise indicated, (a) with respect to Aimia and the Seller, the actual knowledge of **[Redacted – name and title of individual]** and **[Redacted – name and title of individual]**, after reviewing this Agreement and having made reasonable inquiry, and (b) with respect to DIV and the Purchaser, the actual knowledge of Sean Morrison

(President and Chief Executive Officer of DIV) and Greg Gutmanis (Chief Financial Officer and VP Acquisitions of DIV), after reviewing this Agreement and having made reasonable inquiry.

Article 2

Purchase and Sale of the Purchased Assets

2.1 Purchased Assets

Subject to the terms and conditions of this Agreement, the Seller hereby sells, assigns, transfers and conveys to the Purchaser and the Purchaser hereby purchases, acquires, assumes and accepts from the Seller, the Purchased Assets free and clear of all Liens, other than Permitted Liens, with effect as of the Effective Time.

2.2 Purchase Price

The consideration (the **Purchase Price**) for the Purchased Assets shall, subject to adjustment in accordance with the terms of this Agreement, be an amount equal to \$67,500,000 plus the assumption by the Purchaser of the Assumed Liabilities as of the Effective Time.

2.3 Payment of the Purchase Price

The Purchase Price shall, subject to adjustment payments in accordance with the terms of this Agreement, be paid and satisfied by the Purchaser in the following manner:

- (a) at the Closing, by the payment to the Seller of an amount equal to \$53,750,000 by wire transfer of immediately available funds to the account designated in writing by the Seller to the Purchaser prior to the Closing;
- (b) at the Closing, by the assumption by the Purchaser of the Assumed Liabilities as of the Effective Time; and
- (c) by the payment of the Reverse Earnout Amount in accordance with Section 2.5.

2.4 Liabilities

- (a) As of the Effective Time, the Purchaser will assume and thereafter pay, discharge and satisfy the Assumed Liabilities as they become due and payable.
- (b) Other than as set out in this Agreement (including Section 2.4(a)) or in the other Transaction Documents, DIV, the Purchaser and their respective Affiliates will not be responsible for any other liabilities or obligations, whether direct or indirect, present or future, absolute, accrued or contingent of Aimia, the Seller or any of their respective Affiliates, including, for greater certainty, all liabilities and obligations incurred, or arising in respect of any period prior to the Effective Time in connection with the ownership or use of the Purchased Assets, and all liabilities and obligations under the Canadian License and Royalty Agreements incurred or arising in respect of any period prior to the Effective Time (collectively, the **Excluded Liabilities**).

2.5 Adjustment of Purchase Price (Reverse Earnout)

- (a) No later than 35 days following the end of the Reverse Earnout Period, the Purchaser shall prepare and deliver to the Seller a statement (the **Reverse Earnout Statement**) including and setting forth a reasonably detailed calculation of the Reverse Earnout Royalties based on the information received by Purchaser from LoyaltyOne, Co. pursuant to the Canadian License and Royalty Agreements. Following the delivery of the Reverse

Earnout Statement to the Seller, the Purchaser shall provide the Seller reasonable access to the relevant work papers of the Purchaser, accounting books and records and the appropriate personnel to verify the accuracy, presentation and other matters relating to the preparation of the Reverse Earnout Statement.

- (b) If the Seller disagrees with all or any portion of the Purchaser's determination of the Reverse Earnout Royalties as presented in the Reverse Earnout Statement, the Seller may, within 30 days following receipt of the Reverse Earnout Statement, deliver a single notice of objection to the Purchaser describing the basis of each of the Seller's objections and setting forth the Seller's calculation of the Reverse Earnout Royalties. If the Seller does not deliver a notice of objection within such 30 day period, the Purchaser's calculation of the Reverse Earnout Royalties contained in the Reverse Earnout Statement shall be deemed final and binding on the Parties.
- (c) If the Seller disputes the Reverse Earnout Statement, the Parties shall work expeditiously and in good faith in an attempt to resolve such dispute within a further period of 20 days after delivery of the notice of objection by the Seller to the Purchaser. If the Parties fail to reach a resolution as to the amount of the Reverse Earnout Royalties, the dispute will be submitted for determination to an independent national firm of Chartered Professional Accountants mutually agreed to by the Purchaser and the Seller (the **Independent Accounting Firm**). Each Party shall be afforded the opportunity to present to such Independent Accounting Firm, with a copy to the other Party, any other written material relating to the calculation of the Reverse Earnout Royalties. The Independent Accounting Firm shall, within 30 days following its selection, deliver to the Purchaser and the Seller a written report determining such disputed calculations, and its determinations will be final and binding upon the Parties and will not be subject to appeal, absent manifest error, for the purposes of calculating the Reverse Earnout Royalties. The Independent Accounting Firm shall not attribute a value to any disputed amount greater than the greatest amount proposed by either Party nor an amount less than the least amount proposed by either Party. The Independent Accounting Firm shall be deemed to be acting as an expert and not as an arbitrator.
- (d) The Seller and the Purchaser will each bear the fees and expenses of their respective accountants, auditors or other advisors, if any, in preparing or reviewing, as the case may be, the Reverse Earnout Royalties and/or Reverse Earnout Statement. If an Independent Accounting Firm is retained to resolve such dispute, the costs and expenses of such firm will be borne equally by the Seller and the Purchaser. However, the Seller and the Purchaser will each bear their own costs in presenting their respective cases to such firm.
- (e) Subject to Section 2.5(f), if the Seller shall be entitled to the Reverse Earnout Amount which corresponds to the applicable Reverse Earnout Royalties as finally determined in accordance with this Section 2.5, then such amount shall be due and payable by the Purchaser to the Seller within the later of (i) 45 days after the end of the Reverse Earnout Period or (ii) 10 days after the final determination of the applicable Reverse Earnout Royalties in accordance with this Section 2.5. Any portion of the Maximum Reverse Earnout Consideration not payable by the Purchaser to the Seller shall be treated by the Parties as a downward adjustment to the Purchase Price.
- (f) If an Event of Acceleration occurs:
 - (i) before the end of the Reverse Earnout Period and
 - (A) a Reverse Earnout Agreement having a Term of at least **[Redacted – length of term]** but less than **[Redacted – length of term]** is in place, then **[Redacted – dollar amount]** (less any Reverse Earnout Amount Previously paid by the Purchaser to the Seller) shall be due and payable

by the Purchaser to the Seller within 10 days of the occurrence of such Event of Acceleration; or

(B) a Reverse Earnout Agreement having a Term of at least **[Redacted – length of term]** is in place, then the Maximum Earnout Consideration (less any Reverse Earnout Amount Previously paid by the Purchaser to the Seller) shall be due and payable by the Purchaser to the Seller within 10 days of the occurrence of such Event of Acceleration, or

(ii) before **[Redacted – date]** and no Reverse Earnout Agreement is in place, then **[Redacted – dollar amount]** (less any Reverse Earnout Amount Previously paid by the Purchaser to the Seller) shall be due and payable by the Purchaser to the Seller within 10 days of the occurrence of such Event of Acceleration.

For greater clarity, the maximum amount payable by the Purchaser to the Seller under this Section 2.5 is \$13,750,000.

2.6 Conduct relating to Reverse Earnout

From and after Closing, DIV and the Purchaser agree not to amend, modify alter or waive any provision in the Canadian License and Royalty Agreements or enter into any other agreement with LoyaltyOne, Co. or any of its Affiliates or to take any other actions which would serve to reduce the amount of the Reverse Earnout Royalties otherwise payable by LoyaltyOne, Co. to the Purchaser or the Reverse Earnout Amount payable by the Purchaser to the Seller hereunder.

2.7 LoyaltyOne, Co. Royalty

The Purchaser shall be entitled to receive the royalty payments receivable from LoyaltyOne, Co. for the quarter ended September 30, 2017 pursuant to the Canadian License and Royalty Agreements. Within 15 days following receipt of each such royalty payment, the Purchaser shall remit to the Seller a portion thereof, pro-rated based on the number of days from and including July 1, 2017 to August 21, 2017.

2.8 Closing

- (a) The closing of the transactions contemplated by this Agreement (the **Closing**) shall be deemed to take place at the offices of Norton Rose Fulbright Canada LLP, Suite 2500, 1 Place Ville Marie, Montreal, Quebec on the date hereof.
- (b) At the Closing: (i) the Seller shall have delivered or cause to be delivered to the Purchaser the items set forth at Section 6.1; and (ii) the Purchaser shall have delivered or cause to be delivered to the Seller the items set forth at Section 6.2 and shall pay or satisfy the Purchase Price in accordance with Section 2.3.
- (c) The transfer of ownership and possession of the Purchased Assets shall be deemed to take effect at the Effective Time on the date hereof.

2.9 Tax Matters

All amounts payable by the Purchaser to the Seller pursuant to this Agreement do not include any goods and services, harmonized sales, sales, value-added, retail sales, use, consumption, personal property, customs, excise, stamp, transfer, or similar taxes, duties or charges (collectively, Sales Taxes). All Sales Taxes payable in respect of amounts payable by the Purchaser to the Seller pursuant to this Agreement are the responsibility and for the account of the Party who is liable to pay such Sales Taxes under applicable Laws. If the Seller is required by

applicable Laws to collect any Sales Taxes from the Purchaser, the Purchaser shall pay such Sales Taxes to the Seller concurrently with the payment of any amount payable pursuant to this Agreement. The Seller shall remit all Sales Taxes collected from the Purchaser to the relevant Tax Authority in accordance with applicable Laws. For greater certainty, the amounts provided herein do not include any Sales Taxes.

2.10 Assignment of Rights

Nothing in this Agreement is to be construed as an attempt to assign any rights, benefits or obligations (collectively, **Rights**) under any Purchased Assets (including the Canadian License and Royalty Agreements) which are not assignable without the consent or approval of any Person, unless such consent or approval has been given. In any case where any such consent or approval is not obtained prior to the Effective Time, from and after the Effective Time, provided that the Purchaser pays all the reasonable out-of-pocket costs and expenses of the Seller to be incurred in carrying out their obligations under this Section 2.10:

- (a) the Seller shall hold such Rights in trust for the benefit of the Purchaser pending the effective transfer of such Rights;
- (b) the Seller will promptly pay over to the Purchaser all moneys collected by or paid to the Seller in respect of such Rights; and
- (c) the Purchaser shall perform and discharge on behalf of the Seller all of the Seller's debts, liabilities, obligations or commitments, if any, in respect of those non-assignable Rights in accordance with the terms thereof,

provided that the Purchaser will indemnify the Seller against all liabilities, costs and expenses incurred by the Seller arising out of the performance of the Seller's obligations under this Section 2.10 or the failure of the Purchaser to perform its obligations under this Section 2.10.

Article 3 Representations and Warranties of the Seller and Aimia

Except as set forth on the Disclosure Letter, Aimia and the Seller each jointly and severally represents and warrants as follows to DIV and the Purchaser, and acknowledges that DIV and the Purchaser are relying upon such representations and warranties in connection with the matters and contemplated by this Agreement:

3.1 Existence and Corporate Power

Each of Aimia and the Seller is a corporation validly existing under the laws of the jurisdiction of its incorporation. Each of Aimia and the Seller has all requisite corporate power and authority to execute, deliver and perform this Agreement and the Transaction Documents to which it is a party and to consummate the transactions contemplated hereby and thereby.

3.2 Authority and Enforceability

The execution, delivery and performance by each of Aimia and the Seller of this Agreement and the Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of each of Aimia and the Seller. This Agreement has been duly executed and delivered by each of Aimia and the Seller and (assuming due authorization, execution and delivery by DIV and the Purchaser) constitutes a legal, valid and binding obligation of each of Aimia and the Seller, enforceable against them in accordance with its terms subject to any limitation on enforcement under applicable Laws relating to (a) bankruptcy, winding-up, insolvency,

arrangement and other similar Laws of general application affecting the enforcement of creditors' rights; and (b) the discretion that a court may exercise in the granting of extraordinary remedies such as specific performance and injunction.

3.3 No Conflict

The execution, delivery and performance by each of Aimia and the Seller of this Agreement and the Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby do not:

- (a) violate or conflict with any applicable Law to which Aimia or the Seller is subject,
- (b) violate or conflict with the articles or by-laws or other constating documents of each of Aimia and the Seller;
- (c) violate or conflict with any judgement, decree, order or award of any Governmental Authority having jurisdiction over Aimia or the Seller;
- (d) violate or conflict with any of the provisions of, constitute a default under, or conflict with or cause or give rise to a right of termination, cancellation, loss of rights, purchase or sale rights or payment obligations or acceleration of, any obligations of the Seller or any of its Affiliates under any Material Contract; or
- (e) result in the creation or imposition of any Lien (other than a Permitted Lien) on any of the Purchased Assets,

other than in the case of paragraphs (b) and (d), as would not reasonably be expected to have a Material Adverse Effect on the Purchased Assets or materially impair Aimia's or the Seller's ability to perform its respective obligations under this Agreement and the Transaction Documents or materially delay the consummation of the transactions contemplated hereby or thereby.

3.4 Required Authorizations

Except as set out in Section 3.4 of the Disclosure Letter, there is no requirement for Aimia or the Seller to make any filing with, give any notice to, or obtain any Authorization of, any Governmental Authority as a result of, or in connection with, or as a condition to the lawful completion of, the transactions contemplated by this Agreement.

3.5 Required Consents

Except for the notice described in the last sentence of this Section 3.5, there is no requirement for Aimia or the Seller to make any filing with, give any notice to, or obtain any consent, approval, waiver or other authorization of, any Person who is a party to a contract binding on or affecting Aimia or the Seller as a result of, or in connection with, or as a condition to the lawful completion of, the transactions contemplated by this Agreement. The Seller has given due and valid notice to LoyaltyOne, Co. under the Canadian License and Royalty Agreements of its intention to transfer and assign its rights thereunder, and the 30 day period in which LoyaltyOne, Co. or its Affiliates are permitted to bid on the Canadian Air Miles Program Know-How and Canadian Trademarks has expired.

3.6 Litigation

There are no actions, suits or proceedings pending, or, to the knowledge of Aimia and the Seller, threatened, in each case against or relating to Aimia or the Seller which would or would reasonably be expected to (a) have a Material Adverse Effect, (b) result in the loss or material

impairment of the Seller's title to the Purchased Assets, (c) challenge the validity or enforceability of this Agreement or seek to enjoin or prohibit consummation of the transactions contemplated hereby or (d) impede or materially hinder the operation by the Purchaser on or after Closing of the business of licensing of the Canadian Air Miles Program Know-How and the Canadian Trademarks under the Canadian License and Royalty Agreements in the Ordinary Course. None of Aimia or the Seller are subject to any judgment, decree, injunction or order of any Governmental Authority which would materially impair Aimia's or the Seller's ability to perform its respective obligations under this Agreement or consummate the transactions contemplated hereby.

3.7 No Other Agreements to Purchase

Except for the Purchaser's rights under this Agreement, no Person has any written or oral agreement, option, warrant, understanding or commitment or any right or privilege (whether by law, contractual or otherwise) capable of becoming such for the purchase or acquisition from the Seller of the Purchased Assets.

3.8 Ownership

The Seller owns all right, title, and interest in and to the Purchased Assets, free and clear of all Liens, other than Permitted Liens, the Canadian License and Royalty Agreements, the Concurrent Use Agreement (1994) and as disclosed in Section 3.8 of the Disclosure Letter. The Seller has the right to transfer the Purchased Assets to the Purchaser free and clear of any Liens, subject only to Permitted Liens and Liens which will be discharged at Closing and the Canadian License and Royalty Agreements.

3.9 Registrations and Applications

Section 3.9 of the Disclosure Letter contains a correct, current and complete list of all registrations and applications for registration owned by the Seller in the Canadian Trademarks, specifying as to each, as applicable: the word mark and/or design, the record owner, the jurisdiction in which it has been granted or filed, the registration or application serial number, the registration or application date. All required filings and fees related to the trademark registrations and applications listed in Section 3.9 of the Disclosure Letter have been filed with and paid to the relevant Governmental Authorities and authorized registrars. To the knowledge Aimia and the Seller all such registrations are valid and subsisting in all material respects.

3.10 Validity and Enforceability

To the knowledge of Aimia and the Seller, (a) the rights in and to the Purchased Assets are valid, subsisting, and enforceable in all applicable jurisdictions, and (b) other than as disclosed in Section 3.10 of the Disclosure Letter, are not subject to any pending or threatened challenge or claim to the contrary.

3.11 Control over Character and Quality

The Seller has maintained direct or indirect control over the character and quality of the wares and services in association with which the Canadian Trademarks have been used so that the Canadian Trademarks have not lost their distinctiveness. There are no licensed users of any of the Canadian Trademarks or the Canadian Air Miles Program Know How other than the counterparties to the Canadian License and Royalty Agreements and their permitted sub-licensees thereunder and the Seller is not permitting anyone to use any of the Canadian Trademarks other than the counterparties to the Canadian License and Royalty Agreements and their permitted sub-licensees thereunder or other licensees under proper license agreements listed in the Disclosure Letter. No fees, royalties, or other amounts are owing by Aimia or the

Seller to any Person with respect to any of the Purchased Assets or any use of any of the same. Except pursuant to the Canadian License and Royalty Agreements, no Person is authorized by Aimia or the Seller to use in Canada or, to the knowledge of Aimia and the Seller, is using in Canada in its corporate name, trade name or business name any Canadian Trademark or any word or other indicia that is confusingly similar to any Canadian Trademark.

3.12 Non-Infringement of Third Party Rights

To the knowledge of Aimia and the Seller, the registration, ownership and exercise of the Purchased Assets do not infringe or otherwise violate the intellectual property rights of any third party in Canada. There are no actions pending, or, to the knowledge of Aimia and the Seller, threatened alleging any infringement, misappropriation or other material violation of the intellectual property rights of any third party based on the use or exploitation of any Purchased Assets in Canada. The Seller has no notice of any current, pending or threatened in writing trademark opposition proceedings, summary expungement proceedings under section 45 of the *Trade-marks Act* (Canada), cancellation proceedings, or any other litigation or other administrative proceedings in respect of any of the Canadian Trademarks and Aimia and the Seller each have no knowledge of any basis for the commencement of any such proceedings.

3.13 Non-Infringement of Purchased Assets

To the knowledge of Aimia and the Seller, no person is infringing or otherwise violating, any of the Seller's rights, title and interest in and to the Purchased Assets.

3.14 Canadian License and Royalty Agreements

- (a) The Seller has provided the Purchaser with true and complete copies of all Canadian License and Royalty Agreements, including all modifications, assignments, amendments and supplements thereto and waivers thereunder and novations thereof.
- (b) Each Canadian License and Royalty Agreement is valid, binding, and enforceable between Aimia, the Seller and/or their respective Affiliates, as applicable, and the other parties thereto and, to the knowledge of Aimia and the Seller, in good standing; and none of Aimia, the Seller or any of their Affiliates or, to the knowledge of Aimia and the Seller, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) any Canadian License and Royalty Agreement in any material respect, or has provided or received any notice of breach of, default under, or any actual or intended termination of any Canadian License and Royalty Agreement.
- (c) There are no Material Contracts other than the Canadian License and Royalty Agreements.

3.15 Permits

Except for applicable general extra jurisdictional corporate or business registrations or Canadian Trademark registrations, neither Aimia nor the Seller hold any Permits in connection with ownership of the Purchased Assets or the operation of the business of licensing of the Canadian Air Miles Program Know-How and the Canadian Trademarks under the Canadian License and Royalty Agreements and to the knowledge of Aimia and the Seller no Permits are required to be held by either Aimia or the Seller under applicable Laws, in order to conduct the business of licensing of the Canadian Air Miles Program Know-How and the Canadian Trademarks under the Canadian License and Royalty Agreements as presently conducted.

3.16 Sufficiency of Assets

Other than the assets, properties, employees and subcontractors of the Seller or its Affiliates required to administer the business of licensing of the Canadian Air Miles Program Know-How and the Canadian Trademarks under the Canadian License and Royalty Agreements (the **Canadian Business**) in the Ordinary Course, the Purchased Assets constitute all of the material rights, assets and properties that are required in connection with or otherwise relate to the operation of Canadian Business in the Ordinary Course in the same manner as presently conducted by the Seller or its Affiliates and include all of the material rights, assets and properties the use and exercise of which are necessary for the performance of the Purchaser's obligations under the Canadian License and Royalty Agreements after the Effective Time in the same manner as presently conducted by the Seller.

3.17 Compliance

Each of Aimia and the Seller is in compliance with all, and is not in violation of any, applicable Laws in respect to the conduct of the business of licensing of the Canadian Air Miles Program Know-How and the Canadian Trademarks under the Canadian License and Royalty Agreements and ownership of the Purchased Assets, except where the failure to comply would not have a Material Adverse Effect upon such business or the Purchased Assets.

3.18 Financial Information

The royalty revenues paid by LoyaltyOne, Co. to the Seller under (and, in case of annual amounts for the years ended December 31, 2014, 2015 and 2016 only, in compliance with) the Canadian License and Royalty Agreements (net of a 10% withholding tax) in respect of the periods indicated below were, in all material respects, in the amounts listed opposite such periods:

<u>Relevant Period</u>	<u>Royalty Revenues Paid</u>
Year ended December 31, 2014	[Redacted – dollar amount]
Year ended December 31, 2015	[Redacted – dollar amount]
Year ended December 31, 2016	[Redacted – dollar amount]
Three months ended March 31, 2017	[Redacted – dollar amount]
Three months ended June 30, 2017	[Redacted – dollar amount]

Schedule 3.18 of the Disclosure Letter includes complete and accurate copies of the annual statements prepared and delivered by LoyaltyOne, Co. or its auditor setting forth the calculation of the annual amounts set forth above (collectively, the **Financial Information Statements**). Nothing has come to the attention of Aimia or the Seller that causes them to believe that the Financial Information Statements are misleading in any material respect.

3.19 LoyaltyOne Co.

- (a) None of Aimia, the Seller or any of their respective Affiliates have received written notice that, and to the knowledge of Aimia and the Seller, neither LoyaltyOne Co. nor any of its Affiliates, has received written notice that, any Sponsor (as defined in the Canadian License and Royalty Agreements, and including, for greater certainty, the Bank of Montreal) does not intend to continue its participation in the Programme (as defined in the Canadian License and Royalty Agreements) in the Ordinary Course following closing of the transactions contemplated hereby.
- (b) None of Aimia, the Seller or any of their respective Affiliates have received written notice of, and to the knowledge of Aimia and the Seller there have not been, any material disputes between LoyaltyOne Co. or any of its Affiliates and any Sponsor (as defined in Canadian License and Royalty Agreements, and including, for greater certainty, the Bank

of Montreal) in relation to the Programme (as defined in the Canadian License and Royalty Agreements) or the Purchased Assets in the past 24 months.

3.20 Absence of Certain Changes and Events

Aimia and the Seller have carried on their businesses in relation to the Purchased Assets in the Ordinary Course since December 31, 2016 and, since such date, there has been no Material Adverse Change.

3.21 No Brokers' Fees, etc.

Other than the fees payable to Evercore Partners Canada Ltd., Aimia and the Seller have not incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement.

3.22 Registration for Taxes

The Seller is not registered for purposes of the Taxes imposed under the *Excise Tax Act* (Canada), the *Provincial Sales Tax Act* (British Columbia) or under similar legislation in any of the provinces or territories of Canada.

3.23 Employee Matters

The transfer of the Purchased Assets does not constitute a transfer of undertaking (overgang van onderneming) as referred to in article 7:663 of the Dutch Civil Code and that consequently no (former) employees of Aimia or the Seller will enter into employment with DIV, the Purchaser or their respective Affiliates by operation of law at or following Closing.

3.24 Disclaimer of Warranties

Notwithstanding anything to the contrary set forth in this Agreement, except as specifically set forth in this Article 3 and the Transaction Documents to which they are a party, Aimia and the Seller have not made and make no other express or implied representation or warranty, either oral or written, whether arising by law, course of dealing, course of performance, usage, trade, or otherwise, including with respect to the ownership, registration, validity, enforcement, or use of the Purchased Assets, all of which are expressly disclaimed.

Article 4
Representations and Warranties of the Purchaser and DIV

DIV and the Purchaser each jointly and severally represents and warrants as follows to Aimia and the Seller, and acknowledges that Aimia and the Seller are relying upon such representations and warranties in connection with the matters and contemplated by this Agreement:

4.1 Existence and Corporate Power

DIV is a corporation validly existing under the laws of the jurisdiction of its incorporation. DIV has all requisite corporate power and authority to execute, deliver and perform this Agreement and the Transaction Documents to which it is a party and to consummate the transactions contemplated hereby and thereby. The Purchaser is a limited partnership validly existing under the laws of the jurisdiction of its formation. The Purchaser has all requisite power and authority to execute, deliver and perform this Agreement and the Transaction Documents to which it is a party and to consummate the transactions contemplated hereby and thereby.

4.2 Authority and Enforceability

The execution, delivery and performance by each of DIV and the Purchaser of this Agreement and the Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of each of DIV and the Purchaser. This Agreement has been duly executed and delivered by each of DIV and the Purchaser and (assuming due authorization, execution and delivery by Aimia and the Seller) constitutes a legal, valid and binding obligation of DIV and the Purchaser, enforceable against them in accordance with its terms subject to any limitation on enforcement under applicable Laws relating to (a) bankruptcy, winding-up, insolvency, arrangement and other similar Laws of general application affecting the enforcement of creditors' rights and (b) the discretion that a court may exercise in the granting of extraordinary remedies such as specific performance and injunction.

4.3 No Conflict

The execution, delivery and performance by each of DIV and the Purchaser of this Agreement and the Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby do not violate or conflict with:

- (a) any applicable Law to which DIV or the Purchaser is subject;
- (b) the articles or by-laws or limited partnership agreement of DIV or the Purchaser, as applicable; or
- (c) any judgement, decree, order or award of any Governmental Authority having jurisdiction over DIV or the Purchaser,

other than, in the case of paragraphs (b) and (c), as would not reasonably be expected to materially impair DIV's or the Purchaser's ability to perform its respective obligations under this Agreement and the Transaction Documents or materially delay the consummation of the transactions contemplated hereby or thereby.

4.4 Required Purchaser Authorizations

There is no requirement for the Purchaser to make any filing with, give any notice to, or obtain any Authorization of, any Governmental Authority as a result of, or in connection with, or as a condition to the lawful completion of, the transactions contemplated by this Agreement, except

the TSX Notice, if applicable, and the filing of certain documents on SEDAR by DIV in order to satisfy its continuous disclosure obligations under National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian securities administrators.

4.5 Required Purchaser Consents

There is no requirement for the Purchaser to make any filing with, give any notice to, or obtain any consent, approval, waiver or other authorization of, any Person who is a party to a contract binding on or affecting the Purchaser as a result of, or in connection with, or as a condition to the lawful completion of, the transactions contemplated by this Agreement.

4.6 Litigation

There are no actions, suits or proceedings pending, or, to the knowledge of DIV and the Purchaser, threatened against or relating to DIV or the Purchaser which challenge the validity or enforceability of this Agreement or seek to enjoin or prohibit consummation of the transactions contemplated hereby. DIV and the Purchaser are not subject to any judgment, decree, injunction or order of any Governmental Authority which would materially impair DIV's or the Purchaser's ability to perform its obligations under this Agreement or consummate the transactions contemplated hereby.

4.7 Sufficient Funds

The Purchaser has sufficient available funds to pay the Purchase Price and all other necessary fees, expenses and other amounts in connection with the consummation of the transactions contemplated by this Agreement and will, upon request, provide evidence thereof satisfactory to the Seller, in its sole discretion.

4.8 No Brokers, etc.

No broker, finder, agent or similar intermediary has acted on behalf of DIV or the Purchaser in connection with this Agreement or the transactions contemplated hereby, and there are no brokerage commissions, finders' fees or similar fees or commissions payable by DIV or the Purchaser in connection herewith.

4.9 Disclaimer of Warranties

Notwithstanding anything to the contrary set forth in this Agreement, except as specifically set forth in this Article 4 and the Transaction Documents to which it is a party, DIV and the Purchaser have not made and make no other express or implied representation or warranty, either oral or written, whether arising by law, course of dealing, course of performance, usage, trade, or otherwise, all of which are expressly disclaimed.

Article 5 Covenants of the Parties

5.1 Public Announcement

The Parties shall communicate with each other and cooperate with each other prior to any public disclosure of the transactions contemplated hereby. The Parties agree that no public release or announcement concerning the terms of the transactions contemplated hereby shall be issued by any of the Parties hereto or any of their respective Affiliates without the prior consent of the other Parties hereto, in each case, which such consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the Parties hereto may issue a public release or announcement concerning the terms of the transactions contemplated hereby, where such

release or announcement may be required by Law or the rules and regulations of any stock exchange upon which the securities of such Party or its Affiliates are listed, in which case such Party shall consult with the other Parties hereto who are adverse in interest to such Party about, and allow the other Parties hereto who are adverse in interest to such Party a reasonable time to comment on, such release or announcement in advance of its issuance, which comments shall be duly considered and, if reasonable, accepted by the disclosing Party.

5.2 Confidentiality

- (a) From and after the Closing, the Parties hereto shall, and shall cause each of its Affiliates and their respective representatives to, keep confidential all Confidential Information of the other Parties.
- (b) Subject to Section 5.1 and Section 5.2(c), Section 5.2(a) shall not apply to the disclosure of any Confidential Information where that disclosure is required by Law. In that case, the Party required to disclose (or whose representative is required to disclose) shall, as soon as possible in the circumstances, notify the other Parties of the requirement of the disclosure including the nature and extent of the disclosure and the provision of Law pursuant to which the disclosure is required. To the extent possible, the Party required to make the disclosure shall, before doing so, provide to the other Parties the text of any disclosure. On receiving the notification, the other Parties may take any reasonable action to challenge the requirement, and the affected Party shall (or shall cause the applicable representative to), at the expense of the other Parties, assist the other Parties in taking that reasonable action.
- (c) The Seller and Aimia hereby acknowledge that a copy of this Agreement will be filed on SEDAR by DIV within 10 days of its execution. DIV hereby agrees to provide the Seller and Aimia reasonable time to review and suggest any redactions as may be permitted by applicable Canadian securities Laws in advance of the filing of this Agreement on SEDAR, which suggested redactions shall be duly considered and, if reasonable and permitted by applicable Canadian securities Laws, included in the copy of the Agreement filed on SEDAR.
- (d) Notwithstanding the foregoing, Aimia and the Seller will provide DIV with such financial and other information with respect to the Purchased Assets as may be required for DIV to satisfy its disclosure obligations under applicable Canadian securities Laws on a timely basis (as determined by DIV's legal counsel, acting reasonably), other than non-public financial information related to the Programme (as defined in the Canadian License and Royalty Agreements) to which Aimia may not have access or in respect of which Alliance Data Systems Corporation or LoyaltyOne, Co. may not consent.

5.3 Wrong Pockets

If any of the Excluded Assets or any proceeds in respect thereof shall at any time come into the possession of or under the control of DIV or the Purchaser or any of their employees, officers or agents, such assets and/or proceeds, as applicable, shall be held by DIV or the Purchaser, as applicable, in trust for the benefit of the Seller. Within three Business Days from the date on which DIV or the Purchaser, as applicable, or any of their employees, officers or agents come into possession of or obtain control over any of such assets and/or proceeds, as applicable, DIV or the Purchaser, as applicable shall (a) by notice in writing delivered to the Seller, in accordance with the provisions hereof, so advise the Seller; and (b) forthwith account for and deliver over to the Seller any of such assets and/or proceeds. If any of the Purchased Assets or any proceeds in respect thereof or payments made in respect thereof in relation to periods after the Closing shall at any time come into the possession of or under the control of Aimia or the Seller or any of their employees, officers or agents, such assets and/or proceeds, as applicable, shall be held by Aimia or the Seller, as applicable, in trust for the benefit of the Purchaser. Within three Business Days

from the date on which Aimia or the Seller, as applicable, or any of their employees, officers or agents come into possession of or obtain control over any of such assets and/or proceeds, as applicable, Aimia or the Seller, as applicable shall (a) by notice in writing delivered to the Purchaser, in accordance with the provisions hereof, so advise the Purchaser; and (b) forthwith account for and deliver over to the Purchaser any of such assets and/or proceeds.

5.4 Transfer Documentation and Post Closing Cooperation

- (a) Promptly following the date hereof, the Seller shall deliver, and shall cause to be delivered, to the Purchaser all documents (including all Books and Records and except, in the case of those required by applicable Law to be retained by the Seller, copies thereof) and other data, technical or otherwise, which are in the possession or control of Aimia, the Seller or their Affiliates at the date hereof, relating to the Purchased Assets. The Purchaser shall preserve all those documents delivered to it in accordance with the Purchaser's document retention procedures or for such longer period as is required by applicable Law. The Purchaser shall permit Aimia and the Seller and their authorized representatives reasonable access to those documents while they are in DIV's or the Purchaser's possession or control solely to the extent that access is required by Aimia or the Seller to perform their obligations under this Agreement or under applicable Law, but DIV and the Purchaser shall not be responsible or liable to Aimia or the Seller for, or as a result of, any loss or destruction of or damage to any such documents and other data unless that destruction, loss or damage is caused by DIV's or the Purchaser's gross negligence or wilful misconduct.
- (b) Notwithstanding Section 5.4(a), Aimia and the Seller shall be entitled to retain copies of any documents or other data delivered to DIV or the Purchaser pursuant to Section 5.4(a) provided that those documents or data are reasonably required and only used or relied on by Aimia or the Seller to perform its obligations under this Agreement or under Law. Aimia and the Seller shall retain any documents or data which relate to the Purchased Assets and which are retained by Aimia or the Seller pursuant to this Section 5.4(b) in strict confidence and shall not use or otherwise disclose the data or information contained therein except as permitted by Section 5.1 or Section 5.2.
- (c) Aimia and the Seller shall, and shall cause their Affiliates to, preserve and keep any other Books and Records related to the Purchased Assets retained or controlled thereby pursuant to this Agreement for a period of five years from the date hereof, or for any longer periods required by any Governmental Authority or ongoing litigation, and Aimia and the Seller shall, and shall cause their Affiliates to, make such Books and Records available to DIV, the Purchaser and their Affiliates and their respective legal and financial advisors and auditors as may be reasonably requested by DIV, the Purchaser or their Affiliates for tax, litigation or accounting purposes of DIV, the Purchaser or their Affiliates (at the sole cost and expense of DIV, the Purchaser or their Affiliates, as applicable, and without unreasonable interruption to the operations of the Seller's businesses) and prior to the destruction of any such Books and Records the Seller shall provide advance notice thereof to the Buyer.
- (d) No Party shall be required to provide access to Books and Records pursuant to this Section 5.4 to the extent such access, in such Party's reasonable judgment would:
 - (i) jeopardize any attorney-client or legal privilege; provided, that the requested Party shall use commercially reasonable efforts to provide such document, communication or information in a manner that does not result in a waiver of such privilege; or
 - (ii) contravene any applicable Law, fiduciary duty or confidentiality obligation.

5.5 Concurrent Use Agreement (1994)

The Purchaser hereby acknowledges and agrees to have been provided a copy of, and to comply with, as of the Effective Time, the Concurrent Use Agreement (1994). The Purchaser acknowledges that the License to use the Air Miles Trade Marks in Canada dated as of December 17, 1992, as amended, referred to in the Concurrent Use Agreement (1994) has been superseded and replaced by the Canadian Licence and Royalty Agreements.

5.6 Liens

Aimia and the Seller shall take all necessary steps and actions in order to discharge the Liens disclosed in Section 3.8 of the Disclosure Letter as soon as practicable after the date hereof and shall promptly provide the Purchaser and DIV written confirmation of such discharges once obtained. If requested by the Purchaser or DIV, Aimia and the Seller will provide the Purchaser and DIV with written updates as to the status of such discharges and the efforts that Aimia and the Seller are taking to complete the discharge of such Liens.

Article 6 Closing Deliverables

6.1 Aimia and Seller's Closing Deliverables

The Purchaser acknowledges and agrees that at or prior to Closing, Aimia and the Seller delivered or caused to be delivered to DIV and the Purchaser the following, each of which such deliveries is hereby acknowledged by the Purchaser as having been received:

- (a) a certified copy of all necessary authorizations or other instruments required from Aimia and the Seller approving the entering into and completion of the transaction contemplated by this Agreement;
- (b) a certificate of status, compliance, good standing or like certificate with respect to Aimia and the Seller issued as of a recent date by the appropriate government officials of the jurisdiction of their incorporation;
- (c) a confirmatory trademark assignment for the confirmation of the assignment of the Canadian Trademarks to the Purchaser duly executed by the Seller;
- (d) a trademark concurrent use agreement with respect to the use of the Canadian Trademarks and the non-Canadian trademarks following Closing, which such agreement shall have substantially similar terms to that of the Current Use Agreement (1994), duly executed by the Seller;
- (e) a duly executed copy of the Disclosure Letter;
- (f) joint written notice from Seller and Purchaser, duly executed by the Seller and advising LoyaltyOne, Co. of, among other things, the transactions contemplated hereby;
- (g) a certified copy of the Canadian License and Royalty Agreements; and
- (h) a copy of an acknowledgement from LoyaltyOne, Co. confirming it has received valid notice under the Canadian Licence and Royalty Agreements of the Seller's intent to transfer or assign the Canadian Air Miles Program Know-How and the Canadian Trademarks.

6.2 DIV and Purchaser's Closing Deliverables

The Seller acknowledges and agrees that at or prior to Closing, DIV and the Purchaser delivered or caused to be delivered to Aimia and the Seller the following, each of which such deliveries is hereby acknowledged by the Seller as having been received:

- (a) a certified copy of all necessary authorizations or other instruments required from DIV and the Purchaser approving the entering into and completion of the transaction contemplated by this Agreement;
- (b) a certificate of status, compliance, good standing or like certificate with respect to each of DIV and the Purchaser issued as of a recent date by the appropriate government officials of the jurisdiction of its incorporation or formation, as applicable;
- (c) a confirmatory trademark assignment for the confirmation of the assignment of the Canadian Trademarks to the Purchaser duly executed by the Purchaser;
- (d) a trademark concurrent use agreement with respect to the use of the Canadian Trademarks and the non-Canadian trademarks following Closing, which such agreement shall have substantially similar terms to that of the Current Use Agreement (1994), duly executed by the Purchaser; and
- (e) joint written notice from Seller and Purchaser, duly executed by the Purchaser and advising LoyaltyOne, Co. of, among other things, the transactions contemplated hereby.

Article 7 Indemnification and Remedies

7.1 Indemnification by Aimia and the Seller

Aimia and the Seller hereby agree, jointly and severally, to indemnify, defend and hold harmless DIV, the Purchaser and their Affiliates, and to the extent named or involved in any third party action or claim, their respective employees, directors, officers or representatives (collectively, the **Purchaser Indemnified Persons**) from and against, and shall pay to the Purchaser Indemnified Persons the amount of, any loss, liability, claim and damages and reasonable costs of legal counsel incurred in connection therewith (collectively, **Damages**), suffered by or imposed upon any of the Purchaser Indemnified Persons relating to, arising from or in connection with the following matters:

- (a) any breach of any representation or warranty of Aimia or the Seller contained in this Agreement;
- (b) any breach of any covenant or obligation of Aimia or the Seller contained in this Agreement;
- (c) the Excluded Liabilities;
- (d) the Liens disclosed in Section 3.8 of the Disclosure Letter; and
- (e) any and all claims and liabilities (including claims and liabilities for payment of wages, pension payments, social security contributions, taxes and/or related interest and penalties) which any of the Purchaser Indemnified Persons may incur in respect of or in connection with any person currently or in the past employed by Aimia or the Seller or their respective Affiliates claiming to be employed by any of the Purchaser Indemnified Persons on whatever basis.

7.2 Indemnification by DIV and the Purchaser

DIV and the Purchaser hereby agree, jointly and severally, to defend and hold harmless Aimia, the Seller and their Affiliates, to the extent named or involved in any third party action or claim, their respective employees, directors, officers and representatives (collectively, the **Seller Indemnified Persons**) from and against, and shall pay to the Seller Indemnified Persons the amount of any Damages suffered by or imposed upon any of the Seller Indemnified Persons relating to, arising from or in connection with the following matters:

- (a) any breach of any representation or warranty of the Purchaser contained in this Agreement;
- (b) any breach of any covenant or obligation of the Purchaser contained in this Agreement; or
- (c) the Assumed Liabilities.

7.3 Indemnification Procedure: Third Party Claims

- (a) If any claim, assertion or proceeding is made or commenced by a third party (a **Third Party Claim**) against a Purchaser Indemnified Person or a Seller Indemnified Person, as the case may be (the **Indemnified Person**) in respect of which the Indemnified Person proposes to demand indemnification from a Party (the **Indemnifying Party**), the Indemnified Person shall give notice to that effect together with particulars of the Third Party Claim to its Indemnity Representative and the Indemnifying Party with reasonable promptness. The failure to give, or delay in giving, such notice will not relieve the Indemnifying Party of its obligations except and only to the extent of any prejudice caused to the Indemnifying Party by such failure or delay.
- (b) The Indemnifying Party may, by notice to the Indemnity Representative of the Indemnified Person given not later than 45 days after receipt of the notice described in Section 7.3(a), assume control of the defence, compromise or settlement of the Third Party Claim.
- (c) Upon assumption of control by the Indemnifying Party, (i) the Indemnifying Party shall actively and diligently proceed with the defence, compromise or settlement of the Third Party Claim at its sole cost and expense, retaining counsel reasonably satisfactory to the Indemnity Representative of the Indemnified Person; and (ii) the Indemnifying Party shall obtain the consent of the Indemnity Representative of the Indemnified Person, which such consent, shall not be unreasonably withheld, conditioned or delayed, prior to the entry of any judgment or enter into any settlement with respect to the Third Party Claim.
- (d) The Indemnified Person and its Indemnity Representative may retain separate co-counsel at their sole cost and expense, and may participate in the defence of the Third Party Claim.
- (e) The Indemnified Person and its Indemnity Representative shall, at their sole cost and expense, cooperate with the Indemnifying Party and use their commercially reasonable efforts to make available to the Indemnifying Party all relevant information in their possession or under their control (provided that it does not cause either of them to breach any confidentiality obligations) and shall take such other steps as are, in the reasonable opinion of counsel for the Indemnifying Party, necessary to enable the Indemnifying Party to conduct such defence.

- (f) If the Indemnifying Party fails to give the Indemnity Representative the notice required in Section 7.3(b), the Indemnity Representative of the Indemnified Person may assume control of the defence, compromise or settlement of the Third Party Claim and retain counsel as may appear advisable, acting reasonably, the whole at the Indemnified Person's sole cost and expense. The Indemnifying Party shall, at its sole cost and expense, cooperate fully with the Indemnity Representative of the Indemnified Person and use its commercially reasonable efforts to make available to such Indemnity Representative all relevant information in its possession or under its control and take such other steps as are, in the reasonable opinion of counsel for the Indemnity Representative, necessary to enable the Indemnity Representative to conduct the defence. The Indemnifying Party shall remain responsible for any Damages the Indemnified Person and the Indemnity Representative may suffer resulting from, arising out of, or relating to, the Third Party Claim to the fullest extent provided in this Article 7. The Indemnity Representative shall obtain the consent of the Indemnifying Party, which such consent shall not be unreasonably withheld, conditioned or delayed, prior to the entry of any judgment or enter into any settlement with respect to the Third Party Claim.

7.4 Duty to Mitigate and Subrogation

- (a) Nothing in this Agreement in any way restricts or limits the general obligation at law of an Indemnified Person to mitigate any Damages which it may suffer or incur by reason of the breach of an Indemnifying Party of any representation, warranty, covenant, condition or obligation of the Indemnifying Party under this Agreement. The amount of Damages under this Article 7 will be determined net of (i) any Tax benefits realizable by any Indemnified Person in relation to any such Damages (including any Tax benefits arising from the deductibility or amortization of any such Damages or from a potential allowance, refund, credit, deduction or loss carry-over); (ii) any amounts recovered or recoverable by the Indemnified Person under insurance policies, indemnities, reimbursement arrangements or similar agreements with respect to such Damages; and (iii) any prior or subsequent recovery by the Indemnified Person. The Indemnified Person shall take all appropriate steps to enforce such recovery.
- (b) The Indemnified Person shall, to the fullest extent permitted by law, subrogate its rights to the Indemnifying Party and will make all counterclaims and join in any litigation all other Persons as may be reasonably required by the Indemnifying Party, the whole at the cost and expense of the Indemnifying Party. If the Indemnifying Party is prohibited from such subrogation, the Indemnified Person shall seek recovery from the applicable Person on the Indemnifying Party's behalf and pay any such recovery to the Indemnifying Party.

7.5 Expiry of Liability

- (a) Except as set out in Section 7.5(b), liability for breaches of the representations and warranties of the Seller and Aimia, on the one hand, and the Purchaser and DIV, on the other hand, contained in this Agreement will terminate 18 months following the date hereof, except:
- (i) in the case of fraud or fraudulent misrepresentation, gross negligence or wilful misconduct, in which case liability will survive and continue in full force and effect without limitation of time; or
- (ii) to the extent that, during such 18-month period, the Indemnified Person or its Indemnity Representative has given notice to the Indemnifying Party of a claim in respect of any such representation or warranty, in which case liability therefor will survive and continue in full force and effect until the final determination of such claim.

- (b) The representations and warranties contained in Sections 3.1, 3.2, 3.3, 3.7, 3.8 and 3.14(a) (the **Fundamental Reps**), the representations and warranties contained in Sections 4.1, 4.2 and 4.3 and the Seller's or the Purchaser's liability in connection therewith, as the case may be, will survive and continue in full force and effect indefinitely.
- (c) All covenants and agreements contained herein that by their terms are to be performed in whole or in part, or which prohibit actions, subsequent to the date hereof, shall survive the Closing in accordance with their terms.
- (d) No Party or other Person is entitled to indemnification pursuant to this Article 7 unless such Party or other Person has given written notice of its claim for indemnification pursuant to Section 7.3(a) within the survival periods specified in the foregoing provisions of this Section 7.5.

7.6 Limitations on Liability

Notwithstanding the foregoing provisions of this Article 7 but subject to Section 7.6(d):

- (a) notwithstanding anything to the contrary contained in this Agreement, to the extent that an adjustment has been made to the Purchase Price or any other payments are made hereunder in respect of any matter relating to or arising out of this Agreement, no duplicate recovery shall be available hereunder;
- (b) Aimia and the Seller shall have no liability in this Agreement and no Damages may be recovered from Aimia or the Seller unless the claims of any Purchaser Indemnified Person exceed, in the aggregate, **[Redacted – dollar amount]** (the **Basket**), in which case the Purchaser Indemnified Person(s) shall be entitled to collect all of its Damages, including, for greater certainty, the initial **[Redacted – dollar amount]**;
- (c) the liability of Aimia and the Seller in respect of claims of any Purchaser Indemnified Person for Damages under this Agreement shall not exceed, in the aggregate, an amount equal to **[Redacted – dollar amount]** (the **Ceiling**); and
- (d) the Basket and the Ceiling shall not apply (i) in the case of fraud or fraudulent misrepresentation, gross negligence or wilful misconduct; (ii) to any breach of a Fundamental Rep; (iii) to any breach of covenant; (iv) in the case of claims related to Assumed Liabilities or Excluded Liabilities; or (v) in the case of claims related to the indemnity provided in Section 7.1(d).

7.7 Indemnification Procedure: Direct Claims

A claim for indemnification for any matter not involving a Third Party Claim must be asserted by notice (setting out in reasonable detail the factual basis for the claim and the amount of potential Damages arising from it) to the Party from whom indemnification is sought within the periods specified in Section 7.5 of this Agreement and will be subject, at all times, to the provisions of Sections 7.4 and 7.6, *mutatis mutandis*.

7.8 Indemnification Sole Remedy

The rights and remedies that a Party may have against the other Party for a breach of any representation, warranty, covenant or obligation under this Agreement or any Transaction Document are exclusively governed by this Agreement. To the extent permitted by applicable Law, any further claims and remedies (other than claims for specific performance, injunctive relief

or other equitable remedy which do not include claims for monetary damages), irrespective of the nature, amount or legal basis, are hereby expressly waived and excluded.

7.9 Agency for Non-Parties

Each Party hereby accepts each indemnity in favour of its indemnified Persons who are not Parties as agent and trustee for and on their behalf. A Party may enforce an indemnity in favour of any of that Party's indemnified Persons on behalf of each such Person.

7.10 Tax Treatment

Except as otherwise required by applicable Law, any amount payable as an indemnity payment under this Article 7 shall be treated by the Parties for Tax purposes as an adjustment to the Purchase Price.

Article 8 Miscellaneous

8.1 Notices

Any notice, consent, waiver or other communication given under this Agreement must be in writing and given by delivering it (personally or by courier) or sending it by facsimile or by email or other similar form of recorded communication addressed:

(a) to the Purchaser or DIV at:

c/o Diversified Royalty Corp.
902 – 510 Burrard Street
Vancouver, British Columbia V6C 3A8

Attention: Greg Gutmanis, CFO & VP Acquisitions
Facsimile: (604) 235-3146
Email: **[Redacted – email address.]**

with a copy (which does not constitute notice to the Purchaser or DIV) to:

Farris, Vaughan, Wills & Murphy LLP
25th Floor, 700 West Georgia Street
Vancouver, British Columbia, V7Y 1B3

Attention: Bradley A. Newby
Facsimile: (604) 661-9349
Email: bnewby@farris.com

(b) to the Seller or Aimia at:

c/o Aimia Inc.
Tour Aimia
525 Viger Avenue West, Suite 1000
Montreal, Quebec H2Z 0B2

Attention: Edouard D. Vo-Quang, Vice President Legal & Assistant Corporate
Secretary
Facsimile: (514) 205-7578
Email: **[Redacted – email address.]**

with a copy (which does not constitute notice to the Seller or Aimia) to:

Norton Rose Fulbright Canada LLP
1 Place Ville Marie, Suite 2500
Montreal, Quebec H3B 1R1

Attention: David Millette & Meghan Stewart
Facsimile: (514) 284-5474
Email: David.Millette@nortonrosefulbright.com &
Meghan.Stewart@nortonrosefulbright.com

Any such communication is deemed to have been delivered and received on the date of delivery or transmission by facsimile, email or other similar form of recorded communication, as applicable, if the day is a Business Day and delivery or transmission was received by the recipient Party prior to 5 p.m. (Eastern time) and otherwise on the next Business Day. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

8.2 Entire Agreement

This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, understandings, negotiations and discussions relating to the subject matter thereof, whether oral or written, including, for greater certainty, the letter of intent between Aimia and DIV dated August 1, 2017. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties relating to the subject matter hereof except as specifically set forth in this Agreement and the Transaction Documents. Neither Party has relied or is relying on any other information, discussions or understandings in entering into and completing the transactions contemplated in this Agreement.

8.3 Amendments

This Agreement may only be amended, supplemented or otherwise modified by written agreement of all the Parties.

8.4 Waiver

The failure or delay by a Party in enforcing, or insisting upon strict performance of, any provision of this Agreement does not constitute a waiver of such provision or in any way affect the enforceability of this Agreement (or any of its provisions) or deprive a Party of the right, at any time or from time to time, to enforce or insist upon strict performance of that provision or any other provision of this Agreement. Any waiver by a Party of any provision of this Agreement is effective only if in writing and signed by a duly authorized representative of such Party.

8.5 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect, without amendment.

8.6 Assignments

- (a) This Agreement will become effective when executed by the Parties and thereafter will be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.

- (b) Except as otherwise provided in this Section 8.6, neither this Agreement nor any of the rights, duties or obligations under this Agreement are assignable or transferable by a Party without the prior written consent of the other Party. Any attempt to assign any of the rights, duties or obligations in this Agreement without such written consent is void.

8.7 Third Party Beneficiaries

Except as otherwise expressly provided in this Agreement, the Parties do not intend that this Agreement benefit or create any legal or equitable right, remedy or cause of action in, or on behalf of, any Person other than a Party and no Person, other than a Party, is entitled to rely on the provisions of this Agreement in any proceeding.

8.8 Time of the Essence

Time is of the essence in this Agreement.

8.9 Expenses

Except as otherwise expressly provided in this Agreement, all costs and expenses (including the fees and disbursements of legal counsel, brokers, investment advisers, consultants and accountants) incurred in connection with this Agreement and the transactions contemplated herein are to be paid by the Party incurring such expenses.

8.10 Further Assurances

From time to time after the Closing, each Party will, at the request of the other Party, execute and deliver such additional conveyances, transfers and other assurances and perform or cause to be performed such further and other acts or things as may be reasonably required to give effect to, and carry out the intent of, this Agreement.

8.11 Counterparts

This Agreement may be executed in any number of separate counterparts (including by facsimile or other electronic means) and all such signed counterparts will together constitute one and the same agreement. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Parties by facsimile or other means of recorded electronic transmission and such transmission (including in PDF form) shall constitute delivery of an executed copy of this Agreement to the receiving Party.

(signature page immediately follows)

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

DIVERSIFIED ROYALTY CORP.

By: “Sean Morrison”
Name: Sean Morrison
Title: President and Chief Executive Officer

AM ROYALTIES LIMITED PARTNERSHIP,
by its general partner **AM ROYALTIES GP INC.**

By: “Sean Morrison”
Name: Sean Morrison
Title: President and Chief Executive Officer

AIMIA INC.

By: “David Johnston”
Name: David Johnston
Title: Group Chief Executive

AIR MILES INTERNATIONAL TRADING B.V.

By: “Y. Theuns” and “N.S. Lo”
Name: Y. Theuns N.S. Lo on behalf of Vistra B.V.
Title: Director Proxyholder B
 Proxyholder A