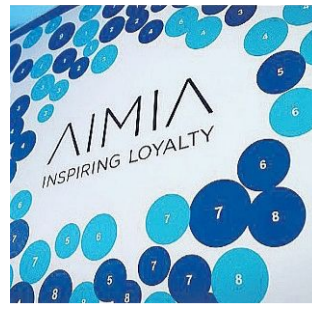


REWARD PROGRAMS

AIMIA ENDS IMPASSE, SETTLES CLASS ACTION OVER AEROPLAN MILES

Aimia Inc. has signed a deal to settle a nine-year-old class action case related to changes to its expiry rules for Aeroplan mileage that were announced in 2006. Under the proposed terms of the agreement announced Friday, Aimia will deposit a set amount of Aeroplan miles into the accounts of eligible members. However, details about who's eligible isn't being made public because the settlement is



subject to approval by the Superior Court of Quebec, Aimia said. Merchant Law Group is handling the class action on behalf of people enrolled in October 2006. The suit took aim at Aeroplan's decision to cancel Aeroplan Miles if there's no activity in a member's account within a 12-month period, as well as its decision to cancel points if they're not used within seven years. *The Canadian Press*



Titanic artifacts on display at a show in China in May. The company holding the rights to the ship and 5,500 artifacts has been mired in debt, placing the future of its collection in the hands of a bankruptcy court in the U.S.

WANG HE / GETTY IMAGES FILES

LEGAL

Titanic items may end up on block

Salvage firm in U.S. bankruptcy court

DAWN McCARTY, JEF FEELEY AND CHRIS DIXON

WILMINGTON, DEL. • The story of the doomed luxury liner RMS Titanic proved so alluring that divers were searching for the wreck seven decades after it sank to the bottom of the Atlantic. Once it was found in 1985, fanfare over retrieved relics led to exhibits around the world and a blockbuster movie.

But the company holding the rights to the ship and 5,500 artifacts has been mired in debt, placing the future of its collection in the hands of a bankruptcy court. On Thursday, a judge weighed plans for auctioning the largest trove of Titanic memorabilia, which already is drawing the interest of U.S. hedge funds, Chinese investors, British museums and award-winning filmmaker James Cameron.

Among the items are the bell a crow's nest lookout rang to warn the bridge of an iceberg ahead; window grills from the first-class dining area; a passenger's three-diamond ring; and a suitcase full of clothes owned by William Henry Allen, an English toolmaker immigrating to America. Titanic, once the biggest ocean liner ever built, sank almost three kilometres deep on its maiden voyage in 1912, killing more than 1,500 of its 2,200 passengers.

"It's just sad to see that great ship of dreams, and the pieces of it, bounced around like an orphaned child," said David Gallo, an oceanographer and former head of special projects at the Woods Hole Oceanographic Institution who co-led an expedition to the wreck in 2010.

At least three groups are vying for the artifacts from the current owner, Premier Exhibitions Inc. It's the successor to a company once owned by a wealthy Connecticut auto dealer, who bankrolled a French exhibition that retrieved artifacts from Titanic for the first time in 1987. The wreck was discovered two years earlier by oceanographer Robert Ballard, who refused to remove anything from the underwater site.

Atlanta-based Premier organizes Titanic displays around the world, including at the Queen Mary hotel in Long Beach, Calif., the Luxor Hotel in Las Vegas, and the Guangdong Museum in China. In recent years, the business was expanded to include exhibitions such as animatronic dinosaurs, human cadavers and bugs, along with sets and props from the Saturday Night Live TV show.

But expansion left the firm with more debt than it could handle. Four years ago, Premier sought to raise cash by selling Titanic items and rights to future salvage from the underwater site. It valued all the assets at US\$189 million, but the plan fizzled when no one was willing to pay that much, because legal covenants required the collection to be kept intact.

"At the time, we had many inquiries by people hoping to acquire one thing or a few things, but it wasn't an option," Arlan Ettinger, president of Guernsey's auction

house, said in an interview. Buying the items also obligated the owner to safeguard the wreck site, which proved "too much for any one buyer to agree to," he said.

Premier filed for bankruptcy in 2016. A judge reviewed possible auction plans at a hearing Thursday in Jacksonville, Fla.

A group of minority shareholders wants the artifacts sold to the highest bidder, either as a group or individually, to generate US\$10 million to cover their claims and leave ample funds to compensate majority investors. A federal judge in Norfolk, Va., oversees salvage activities at the wreck and must approve any sale.

There are signs Titanic aficionados would be eager to own individual items.

Over the years, some artifacts have been sold that were retrieved by survivors and weren't part of the Premier collection. A violin recovered from the body of the Titanic's band leader fetched more than US\$1.45 million. A fur coat donned by a crew member to combat the harsh Atlantic cold on that fateful April night brought US\$235,000. A key to the crow's nest sold for US\$145,000, and a cracker from a survival kit went for US\$23,000.

RELICS BELONG AT HOME IN BELFAST AND AT GREENWICH.

Rather than sell items piecemeal, Premier's CEO and biggest shareholder, Daoping Bao, has proposed a plan backed by a bevy of investment funds and Chinese businessmen who have bought US\$2 million of the company's debt. Among Bao's backers are Hong Kong-based PacBridge Capital Partners Ltd. and U.S.-based Apollo Global Management. Premier also hired Gallo, the oceanographer, as a paid consultant.

Bao's group pledged to keep the collection intact and within reach of U.S. courts while planning to ramp up scientific and tourist expeditions to the wreck.

Paul Burns, vice-president of Titanic-themed museums in Branson, Mo., and Pigeon Forge, Tenn., said Thursday his organization had tried to acquire the Premier artifacts last year, offering between US\$5 million and \$10 million, but had been turned down.

At the hearing, Bao's group raised its bid for the assets to US\$19.5 million from \$17.5 million, and said it put down a cash deposit. That tops an offer of \$19.2 million from a third bidding group, which includes some British museums backed by Cameron, the filmmaker whose 1997 Titanic raked up more than \$2 billion in box-office sales.

"If I were the judge, I would say well, look, the logical curator of this is Great Britain," said Ballard, the oceanographer who first pinpointed Titanic's position in 1985.

"These relics belong at home in Belfast and at Greenwich, in the hands of an organization that can ensure these artifacts will be around forever," he said.

Bloomberg

COMMENT

New NAFTA? Think technology, not cars

Ideas and data are wealth engines of future



KEVIN CARMICHAEL
National Business Columnist



BRENT LEWIN / BLOOMBERG

The original NAFTA didn't require Canada to adjust rules that protect the country's banks from global competition.

Donald Trump had one good idea this week. The president's suggestion that NAFTA needed a new name is perhaps the first positive thing he's personally put on the table.

My suggestion: the North American Free-ish Trade Agreement. If that's too glib, let's just drop "free" like the president did when he raised the idea. It would more accurately reflect what is shaping up to be a future of managed cross-border exchange

rather than the more liberal kind of which we dreamed back in the early 1990s.

NAFTA might have felt like a free-trade agreement because it eliminated duties on things that we see, smell, taste, and touch. But many less tangible sources of wealth — and political influence — remained mostly protected.

Financial services is a good example. The original NAFTA contained more than 2,000 articles, and not one required Canada to adjust the ownership rules that effectively shield the Bay Street banking oligopoly from international competition.

The outcome of that makes for a good debate. True free trade, or even freer trade, in financial services might have boosted investment and productivity by making it easier for entrepreneurs to obtain credit.

On the other hand, the decision to leave protections in place allowed big banks to get bigger, while a handful of others were able to achieve scale that wouldn't have been possible if institutions from the U.S. and Mexico had been permitted behind Canada's walls.

Royal Bank, Toronto-Dominion, and Bank of Nova Scotia now are the three most important publicly traded companies in the country, and they also are among a relatively small number of Canadian companies with enough size to make some noise abroad.

We've spent a year fretting about rules of origin for automobiles and farm subsidies. Those things matter,

of course. Still, agriculture and vehicle manufacturing are the stars of the previous quarter century, not the next one. By allowing established lobbies to dictate the public debate, we risk missing the off-stage dickering that could determine the economy's ability to create wealth two decades from now.

Canada will continue to grow lots of food, we probably have a comparative advantage in developing snow machines. But most wealth in the near future will be created by the companies that own ideas and data. That means the children of Justin Trudeau and Chrystia Freeland will be affected more by what an updated NAFTA has to say about intellectual property and digitalization than dairy quotas and car parts.

Nothing will be known until a final text is published, but there are reasons to worry the U.S. is trying to make it harder for Canadian and Mexican startups to gain ground on America's tech behemoths.

The summaries of the terms to which the U.S. and Mexico agreed aren't entirely reliable because they are vague and could have changed after several days with Canada back at the table. Yet they likely represent the items in play.

Canada's technology companies will be wary of language that suggests the Trump administration is seeking to tip the scales even more for companies such as Alphabet and Amazon.

Mexico apparently accepted a "modernized, high-standard (IP) chapter that

provides strong and effective protection and enforcement of IP rights critical to driving innovation, creating economic growth, and supporting American jobs," according to briefing material released by the U.S. Trade Representative.

The U.S. and Mexico appear to have expanded the range of drugs eligible for minimum patent protection and agreed to stricter patent rules in general.

The outline also says the U.S. and Mexico agreed that limits on how data can be used, and where it must be stored, would be "minimized," which would help Big Tech fight attempts by local authorities to regulate data collection.

"The current IP provisions are terribly concerning," said Patrick Searle, spokesman for the Council of Canadian Innovators (CCI), an assembly of fast-growing tech companies. "The most important thing to remember in these NAFTA negotiations is that Canada has virtually no IP stocks," Searle said, referring to the value of IP owned by Canadian entities.

"Stronger and longer IP protections entrench and extend pre-existing IP holders." The value of IP peaked at around \$38 billion in each of the first two quarters of 2008, and has struggled to get even close to that mark after collapsing during the recession. Canadian IP was worth about \$31 billion in the second quarter, Statistics Canada reported this week.

Some of what the CCI has asked for is blatantly protectionist. For example, when Freeland asked for submissions on what her priorities should be in the NAFTA negotiations, the group asked specifically that she fight for the ability to control data collection as a "barrier to entry" for American firms.

That makes Canada's upstart wealth creators like all those that came before them.

If the U.S. and Mexico are negotiating in good faith, Canada will have an opportunity to adjust some of those provisions that it was presented this week, but not all. Trudeau's choices will show the extent to which he favours established industries over next generation ones.

Financial Post

ONTARIO SUPERIOR COURT OF JUSTICE
TO: FARHANGEIRAN INC. and THE MOBIN FOUNDATION

Take notice that pursuant to the Order of the Honourable Justice Hainey dated May 22, 2018, Albert Gelman Inc. was appointed as court appointed equitable receiver and receiver in aid of execution (the "Receiver") over the properties beneficially owned by the Islamic Republic of Iran municipally known as 290 Sheppard Avenue West, Toronto, ON with legal title being held in the name of Farhangeiran Inc. and 2 Robinson Avenue, Ottawa, ON with legal title being held in the name of The Mobin Foundation.

The Receiver has made an application to Court returnable on September 21, 2018 at 10am at 330 University Avenue, Toronto, Ontario, Canada. A court room listing is located on the 7th floor.

To obtain copies of the material filed you may visit the Receiver's website at: <http://www.albertgelman.com/corporate-solutions/other-engagements/> under the title "Tracy (Litigation guardian of), et al. v. Iranian Ministry of Information and Security, et al." or may contact legal counsel to the Receiver, Mr. Sean N. Zeitz@lzwlaw.com or at 416-789-0652 ext. 307.

It has been ordered that service on you of any proceedings in connection with the Receiver's appointment be effected by this notice.

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