
Asia Pacific M&A Finder Services

2358653 Ontario Ltd Proposal to Serve Xxx, LLC

February 16, 2015



Outline of Proposal

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Our Understanding of Xxx's Needs

For over 10 years Xxx, a leading global provider of fuel cards and workforce payment products to businesses, has experienced rapid and substantial domestic and international growth. In the latest fiscal year, revenue topped \$ 1 billion, with more than 40 per cent of the total coming from international operations.

Growth has been driven by good products, strong execution and the smart acquisition of companies that are consistent with the company strategy. In company presentations, President Clark, has consistently said that future growth will largely be driven by how effective the company is in its international acquisitions strategy.

Still, while the company has completed over 60 acquisitions in Europe, the US and Australia, it has yet to make a meaningful inroads into Asia, where it prefers to enter via direct ownership of a local entity.

Asia is new to Xxx and it can be said that the Asia gap exists because some of the markets either have legal barriers to entry (e.g. China) or cultural stigmas (e.g. Japan) to keep acquirers at bay. It may also be said that, perhaps, it is because the parties engaged in the search lacked the insight or connections necessary to bring appropriate targets to the negotiating table.

Regardless of why, the problem remains: Xxx needs to establish a foothold in Asia to accelerate its entry into the region. Now!

The company is looking for solid companies engaged in the B2B payments industry with an enterprise value between \$100-500MM (purchase price not set in stone) and would prefer a privately held to publicly traded company.

Our Approach: In Asia, experience and professional networks matter. We've put together a team that combines both and is comprehensive in its Asia coverage. Each member of the team speaks multiple local languages and has lived in more than one Asian country. Moreover, the team has depth of relevant expertise that can be applied to finding appropriate acquisition targets:

David - entrepreneur, management consultant, VP at multiple F100 firms, managed integration of team in Nokia / Siemens merger

Frank - banker, CFA, closed several \$MM acquisitions, rescued Philippine firm on verge of bankruptcy to IPO

Tham - rainmaker, connections, insider to 'real' issues at targets, set up merger talks in Thailand with Malaysia firm

Terry - fact-finder, the academic's persistence to uncover hidden choices, helped US Embassy recover its China student acquisition lead from UK and Australia

Our approach will focus on 1-2 countries, and after finding appropriate companies, interviewing them and, if able to meet criteria, signing a Confidentiality Agreement, will introduce targets to Xxx.

Advisor* Profiles & Select Projects

Unique Value: 100 Plus Years of Asia Experience as Advisors, Bankers, Consultants and Business Leaders

David Van Dyke, Hons B.Comm, Economics	
Role	Team lead, FLT liaison, Local teams
Specialty	Project mgmt, Sales, P&L, Negotiation, Asia, China
Employers	Nokia, Motorola, Deloitte, Bell Canada, HK Telecom
Language	English, Mandarin Chinese
	<ul style="list-style-type: none"> For US State Dept, wrote & implemented China student acquisition strategy, intake grew from 7% to 29% of total For Taiwan Operator, procured major Internet network (\$25MM), including vendor strategy and negotiations At Moto/Cisco JV, developed global financial model for partner alliance business case. Replaced \$350K tool Sales: first ever O/S for HKT; Bell Canada award winner P/L: \$120MM in Greater China; was \$40MM at outset

Tham Siew Wan, B.Sc, MBA	
Role	SEA lead, Customer relationships, Closer
Specialty	Sales, SEA, Professional network, Oil & Gas Industry
Employers	Motorola, Phillips, Independent Business Lecturer
Language	English, Mandarin, Bahasa, Cantonese
	<ul style="list-style-type: none"> Finder: for a Thai publicly listed operator, introduced and advised Malaysian company on successful M&A transaction (\$ confidential). Sales: For Malaysia Ministry of Forestry, \$750 private radio network; for Malaysia International Airport, \$5MM private radio network; for Caltex Indonesia, \$4MM private radio network; for Hong Kong MRTTC, \$2MM wireless telematics solution...

Frank Harley, B.Comm, M.Sc, CFA	
Role	Finance lead, #1 for Philippines
Specialty	Private Equity, SE Asia, Financial modeling, Negotiation
Employers	AIF Capital, Riverwest Capital
Language	English, Japanese, Thai
	<ul style="list-style-type: none"> \$15MM inv't in Korean company: mng'd due diligence, structuring, Board rep and exit; 54% IRR for 3.8x \$20MM inv't in Singapore-based global supply chain: Alt. Board Member, IPO committee; 70% IRR for 12x \$39MM inv't in Cairo operator in N. Africa & Asia: inv't monitoring /exit; turned inv't from near write-off to 2.3x \$46MM inv't in Philippine operator: inherited distressed situation; chaired \$550 MM debt restructuring

Terry Graham, BA History, Asian Studies	
Role	Research lead, Local sourcing
Specialty	Detailed research, Advisory and due diligence, Asia
Employers	Center For the Future, HK University
Language	English, Mandarin, French, German
	<ul style="list-style-type: none"> Performed due diligence on Taiwan investment, returned negative reports and saved investors \$MMs Wrote China cloud ecosystem report and Advised China Telecom and China Unicom on cloud and OTT strategy Led disaster management report to define \$350MM US Congressional aid for 2004 tsunami-hit Asian countries For US State Dept, wrote & implemented China student acquisition strategy, intake grew from 7% to 29% of total (worked with David on this project)

❖ We Leverage:

- ❖ An experienced, talented and accomplished team (VPs, Directors, Entrepreneurs, Bankers, Scholars)
- ❖ A bias towards action, and an accrued cache of industry respect, market know-how, and track records of accomplishment in challenging situations
- ❖ Mature, senior-level network of professional contacts at MNCs, local firms, banks, auditing firms and governmental bodies
- ❖ Deep financial, research, project, management, technology skills; all major regional languages spoken


❖ Our Way of Working:


- ✦ Integrity
- ✦ Honesty
- ✦ Trust
- ✦ Perseverance
- ✦ Hard Work

* full resumes are included in overall package of documents

Target Market & Advisor Capability Matrix (Primary Markets)


Countries of Initial Focus: Emphasis on Market Opportunity & Synergies, Our Relationships & Desire to Show Value Right Away


		Advisor/ Category	David	Frank	Tham	Terry
Malaysia Pop'n: 29MM Fuel Stations: >1,000	Prior Projects or Transactions	✓✓✓	✓✓	✓✓✓✓	✓✓	
	Local Language	English spoken	English spoken	Malay, English	English spoken	
	Prior Resident Experience	No	No	Yes	No	
	Local Networks / Relationships	✓✓✓	✓	✓✓✓✓	✓✓	

		Advisor/ Category	David	Frank	Tham	Terry
Taiwan Pop'n: 23MM Fuel Stations: >700	Prior Projects or Transactions	✓✓✓✓	✓½	✓✓✓	✓✓✓½	
	Local Language	Mandarin, English	English spoken	Mandarin, English	Mandarin, English	
	Prior Resident Experience	Yes	No	No	No	
	Local Networks / Relationships	✓✓✓✓	✓✓✓	✓✓✓½	✓✓✓½	

Above the line: Recommended focus and first markets


Below the line: Recommended next set of nations to target


		Advisor/ Category	David	Frank	Tham	Terry
Indonesia Pop'n: 249MM Fuel Stations: >5,000	Prior Projects or Transactions	✓✓	✓✓✓	✓✓✓✓	✓✓½	
	Local Language	English spoken	English spoken	Bahasa, English	English spoken	
	Prior Resident Experience	No	No	No	No	
	Local Networks / Relationships	✓✓✓	✓✓	✓✓✓✓	✓✓	


		Advisor/ Category	David	Frank	Tham	Terry
The Philippines Pop'n: 101MM Low density of fueling stations	Prior Projects or Transactions	✓✓✓	✓✓½	✓✓½	✓✓½	
	Local Language	English spoken	Tagalog, English	English spoken	English spoken	
	Prior Resident Experience	No	Yes	No	No	
	Local Networks / Relationships	✓✓½	✓✓✓✓	✓✓✓½	✓½	


Target Market & Advisor Capability Matrix (Secondary Markets)


All local languages represented. Executed Deals and Transactions from Wild West China to Law & Order Singapore


	Advisor/ Category	David	Frank	Tham	Terry
Thailand Pop'n: 67MM ~80,000 Taxis	Prior Projects or Transactions	✓✓	✓✓✓	✓✓✓✓	✓✓½
	Local Language	English	English	English	English
	Prior Resident	No	Yes	No	No
	Local Networks / Relationships	✓✓✓	✓✓✓✓	✓✓✓½	✓✓

	Advisor/ Category	David	Frank	Tham	Terry
China Pop'n: 1,345MM Fuel Stations: >53,000	Prior Projects or Transactions	✓✓✓✓	✓	✓	✓✓✓✓
	Local Language	Mandarin, English	English spoken	Mandarin, English	Mandarin, English
	Prior Resident	Yes	No	No	Yes
	Local Networks / Relationships	✓✓✓✓	✓✓	✓✓	✓✓✓✓

	Advisor/ Category	David	Frank	Tham	Terry
Singapore Pop'n: 5MM	Prior Projects or Transactions	✓✓✓✓	✓✓	✓✓✓✓	✓✓
	Local Language	English spoken	English spoken	English spoken	English spoken
	Prior Resident	Yes	No	Yes	No
	Local Networks / Relationships	✓✓✓✓	✓✓	✓✓✓✓	✓✓

	Advisor/ Category	David	Frank	Tham	Terry
India Pop'n: 1,210MM State-run fuel stations	Prior Projects or Transactions	✓	✓✓✓	✓	✓✓½
	Local Language	English spoken	English spoken	English spoken	English spoken
	Prior Resident	No	Yes	No	Yes
	Local Networks / Relationships	✓	✓✓✓	✓✓	✓✓

	Advisor/ Category	David	Frank	Tham	Terry
HongKong Pop'n: 7MM Fuel Stations: >70	Prior Projects or Transactions	✓✓✓✓	✓✓✓✓	✓✓✓	✓✓✓✓
	Local Language	Mandarin, English	English spoken	Mandarin, English	Mandarin, English
	Prior Resident	Yes	Yes	No	Yes
	Local Networks / Relationships	✓✓✓✓	✓✓✓✓	✓✓	✓✓✓✓

	Advisor/ Category	David	Frank	Tham	Terry
Japan Pop'n: 127MM Fuel Stations: >34,000	Prior Projects or Transactions	✓✓✓	✓✓✓✓	✓	✓✓✓
	Local Language	English	Japanese, English	English	English
	Prior Resident	Yes	Yes	No	Yes
	Local Networks / Relationships	✓✓½	✓✓✓✓	✓	✓✓½

* Korea is excluded from matrix.

Scope of Work: Finder Services

Advisory Services to Enable Appropriate Acquisitions with Shared Risk Compensation Based on Success Fee Model

M&A PROJECT PHASES*

PHASE I	PHASE II	PHASE III	PHASE IV
Target identification and engagement, signed Confidentiality Agreement (CA)	Preliminary due diligence, valuation and Indication of Interest (IOI)	Further due diligence and Letter of Interest (LOI)	Final due diligence, negotiations, definitive purchase agreement

SCOPE

PHASE I		PHASE II~IV
Purpose & Phase Objective	Uncover and qualify target company (ies) as a possible strategic fit for FLT acquisition strategy	Keep project moving ahead, find required resources on as-needed basis
Key Tasks & Activities	Fully understand FLT business objectives and define acquisition target criteria Define and explain market rules for FDI, in any Research market for targets matching criteria, enlist professional networks for insights and introductions (<i>very important!</i>) Interview targets and prioritize list (review data, conduct mini due diligence) Shortlist target (1-2), execute Confidentiality Agreement Arrange f2f meetings, translations (if needed) with/ for FleetCor representatives	Report market / acquisition rumors and facts to FleetCor executive team. Intermediary — for example, to deliver bad news to target management (FLT will need to maintain relationships and work together post-merger) Facilitate
Deliverable & Outcome	Documented and dated acquisition criteria Executed Confidentiality Agreement(s) (CA)	On call resource for cross-cultural, market-related issues
Additional Resource & Assistance	Arrange translation services (if needed) Arrange local legal counsel, auditors, accounting, valuation firm introductions	On need basis.. e.g. finding FT local project resource for M&A process

* in Phases II-IV, our Advisor involvement decreases as more FLT resources (own and third party) are brought for business and commercial due diligence and customer negotiations

Proposed Engagement Letter

Engagement with Shared Risk and Common Incentives, Exclusivity in Agreed Markets

Xxx LLC, a [_____] with offices at [_____] (“Xxx”) and 2358653 Ontario Ltd (“Finder”) agree to the following:

1. Xxx agrees to retain Finder to act as its exclusive intermediary in Malaysia and Taiwan to locate qualified businesses or companies (each, a “Prospect”) that may desire to have Xxx fund the acquisition of certain of the stock or assets of such Prospect (such transactions described above individually or together, a “Transaction”). Notwithstanding the foregoing, a Prospect shall not include any company or business that Xxx can demonstrate that it has had discussions with regarding a Transaction within [____] months prior to introduction by Finder.
2. The sole duty of Finder is to act as an intermediary to locate Prospects and to introduce those Prospects to Xxx, leaving the evaluation, negotiation and consummation of any Transaction to Xxx, its principals and/or appointed agents.
3. Finder may make certain information available to Prospects regarding Xxx and/or to Xxx regarding Prospects, their qualifications and or conditions for acquiring or investing in such Prospect, however the evaluation of such information is the responsibility of parties to the transaction, and any information provided to either party may be accepted or rejected by the parties.
4. Xxx agrees to pay Finder the greater of:
 - (i) A monthly fee of (retainer) of \$25,000 for a period of 6 months, paid prior to project initiation and thereafter the first of each month, plus out of pocket expenses as they are incurred, upon receipt of first retainer payment project will begin, and
 - (ii) a fee of 5% of the first \$1,500,000, plus 4% of the second \$1,500,000, plus 3% of the third \$1,500,000, plus 2% of the fourth \$1,500,000, plus 1% of the balance of the aggregate “Transaction Value” (as defined below), or
 - (iii) a fee of 3.0% of the total “Transaction Value” (as defined below) with respect to a Transaction.

The “Transaction Value” shall mean:

- (a) for any Prospect in which Xxx and/or its controlled subsidiaries will acquire more than a majority of the ownership of such Prospect or a majority of the assets of such Prospect, the aggregate purchase price paid to a Prospect or its owners introduced by Finder, including debt and equity, by Xxx and inv't partners as full compensation for Finder’s services under this agreement or
- (b) for any Prospect in which Xxx and/or its Affiliates will acquire less than a majority of the ownership or assets of such Prospect, the aggregate purchase price paid to such Prospect or its owners by Xxx and/or its controlled subsidiaries.

All fees are to be paid in US funds by bank draft of wire transfer at the funding of a Transaction; provided, however, that in the event the Transaction includes any contingent consideration or deferred purchase price, then Xxx shall pay to Finder such portion of the fee when and if such contingent consideration is paid to Prospect or its owners.

5. Xxx is not responsible for paying Finder’s fee (outlined in paragraph 4 and elsewhere in this document) if Finder has been or will be compensated by Prospect in any way, including, but not limited to, cash payments for services rendered or equity participation in the Transaction.

6. Xxx agrees to fully indemnify Finder from any legal actions against Finder by Prospects which are the result of written or verbal information provided by Xxx or the performance of Xxx and its ventures except for instances where the Finder was grossly negligent or engaged in willful misconduct.

7. The relationship of Finder to Xxx is that of an independent contractor, and shall not under any circumstances be construed so as to constitute Finder as a partner, employee or agent of Xxx.

8. Termination of this Agreement may be made by either party upon written notice to the other party at least 30 days prior to such termination. However, Xxx agrees to extend the terms of the Agreement 180 months following the date of termination, to any Transactions with any Prospect previously introduced in writing to Xxx that are a result of Finder’s documented efforts prior to the date of termination.

9. Xxx acknowledges and agrees that all advice and opinions (written and oral) rendered by Finder are intended solely for the use of the Board of Directors in (and only in) their capacity as such, and may not be used or relied upon by any other person, nor may such advice or opinions be reproduced, summarized, excerpted from or referred to in any public document or given to any other person without the prior written consent of Finder.

10. This Agreement constitutes the entire agreement between the parties and may not be amended except by written agreement signed by the two parties hereto.

11. This Agreement shall be enforced and construed in accordance with the laws of [_____] in federal district courts (to the extent permitted) and in the English language.

Accepted by:

Xxx LLC

2358653 Ontario Ltd

By: _____

By: _____

Name: _____

Name: David Van Dyke

Dated: _____

Dated: _____

Reference