

[REDACTED]

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**From:** [REDACTED]  
**Sent:** Thursday, 19 March 2015 4:38 PM  
**To:** [REDACTED]  
**Subject:** Announcement

Dear [REDACTED]

I'm writing to tell you about some exciting news for your Employee Benefits programme. Today we are announcing the merger of API's employee benefits business into Reward Gateway.

We've been listening to your feedback for some time and we understand that many of you want more from your programmes than we've brought you in the past. We understand that as the pace of change and innovation in the world quickens, companies are facing an increasing number of people-related challenges and opportunities. We understand that you need bigger, broader and more technologically advanced solutions so that you can deliver real strategic value for your organisation. Today's announcement delivers that for you.

Reward Gateway is celebrating it's tenth year in business this year and has been running in Australia since 2009 - counting many great Australian businesses on their client list. McDonald's, Suncorp, Fortescue, AMP, Pepsico, Perpetual and IBM are all great Australian companies who've found a great home for their employee benefits and recognition provision at Reward Gateway. The company employs 220 people across 6 countries and has a well earned reputation for product and service enjoyed by over 1,000 clients globally. Their product development team alone employs more than 60 people and they have an incredible pipeline of innovation and product coming in the next 12 months.

By merging with Reward Gateway we're able offer so much more to you than we have been. Immediate benefits of the merged programme include :

- Much improved discounts on online shopping with Reward Gateway's pioneering Cashback system
- Dozens of new, premium retailer offers including Hotels.com, Expedia and Apple
- Faster savings when shopping in-store with InstantInstore™
- Almost all savings are in addition to existing retailer promotions
- Real time, detailed reporting on everything your employees use
- Significantly better technology and user experience leading to improved utilisation
- 24/7 employee support, 365 days per year
- Even lower prices and improved range on event and cinema tickets
- Employer branded mobile and tablet experience replacing the API branded App
- Much improved employer branding and employer tailoring options
- Fully integrated employee recognition technology

In addition, Reward Gateway is able to offer their world-leading SmartHub™ product which enables HR departments to build a single, consolidated employee benefits, recognition and engagement hub. It's already in use by some of the UK's biggest employers and Reward Gateway are now bringing it to Australia.

As technology shifts with more customers using smartphones for online ordering and more retailers moving to instant-delivery e-vouchers, we have seen usage of our retail offices decline sharply. As a result we are also closing the API retail outlets with their last day of trading being 30th June 2015. All tickets and in-store gift vouchers will be available online, via smartphone and by a new 24/7/365 telephone ordering line.

Everyone at API is proud of the work we have done to build the business over the last 17 years and we're thrilled for our customers that the future for employee engagement programmes in Australia is now even brighter.

[REDACTED] and myself have been working with [REDACTED], Reward Gateway's MD in Australia for some time planning this transition and we're really excited about the enhancements and improvements that

you're going to benefit from in the coming weeks. In designing a transition plan we've been conscious to minimise any work or impact that you have to do and we're looking forward to discussing that in more detail with you in the coming days and weeks.

We'll be in touch again shortly. In the meantime myself, [REDACTED], [REDACTED] and [REDACTED] are all available if you have immediate questions.

Yours sincerely,

[REDACTED],  
[REDACTED]

API Leisure & Lifestyle

[REDACTED]

[REDACTED]

[REDACTED]