

Fuel Rewards Network™

General Program Questions

What is the Fuel Rewards Network?

The new Fuel Rewards Network™ (FRN) with Shell will help consumers save on all three grades of Shell Nitrogen Enriched gasoline and Shell Diesel by making everyday purchases on items such as groceries, dining out, clothing, and even Shell convenience store products and services at participating Shell locations. It's easy and participation in the program is free.

Why should I participate?

It's easy, and it helps Shell dealers to attract new customers and help increase loyalty of existing customers by providing fuel price roll-backs at Shell that are largely funded by other retailers and suppliers! The primary target for the FRN program is the Reward Seeker, a large and growing segment of consumers who are value driven. They are planners and collectors; they use technology to access and share the best deals around. And, they are waiting for a program like the Fuel Rewards Network! Everyone wants a lower price on gasoline and now customers can get top quality fuel, for less. If you already have a grocer reward program, you know how it helps drive new customers and volume to your site. The FRN is designed to help you to attract even more customers by providing multiple ways to save on Shell Fuel.

How will this work with my current grocer program?

The Fuel Rewards Network is designed to complement your existing Shell grocer rewards program. For grocers participating in FRN, grocery fuel rewards can be combined with rewards earned at Shell and any other rewards earned through programs available at fuelrewards.com. The customer can choose to use the FRN grocer's rewards card or the Fuel Rewards Network Card to redeem at Shell. All they have to do is link the two loyalty cards using the FRN dashboard tools on the FRN website. For grocer programs not currently participating in the FRN (i.e. Kroger, Ahold) your customers will have the ability to choose on each transaction whether they want to redeem either their FRN rewards or their Grocer rewards. You're giving them "more ways to save".

It seems complicated...will the customer understand the program?

Remember, the Reward Seeker segment is already doing these things. They're collectors and planners who are looking for a deal. But, everyone wants to pay less for gasoline. So we've combined all of these features into a one-of-a-kind program at Shell. All you have to do is hand your customer a Fuel Rewards Network Card and direct them to register online at fuelrewards.com. The website will help them do the rest! Reward seekers will register their cards online and learn about the multiple ways to earn and how easy it is. They may initially choose one way to get involved in the program. As time goes on, Shell will send them targeted email offers to keep them up to date with new program features and special trial offers to further entice them to explore all of the other ways to save with the FRN. Remember, these customers are already doing these things. They just don't have a way to do it with gasoline, and now with the FRN they do!

Who funds the rewards and what are the fees to redeem?

It doesn't cost any more than a standard grocer program even if a customer redeems \$2.00 per gallon! And, just like our existing grocer programs, the rewards are funded by the issuing partner (i.e. the grocer, the participating restaurant, etc).

Will other fuel retailers have a similar program?

Only the Fuel Rewards Network will give customers the ability to earn and combine multiple Fuel Rewards savings earned across multiple retailers. In Shell trade areas, Shell is the exclusive fuel brand that can issue and redeem Fuel Rewards savings earned within the Network. While most competitors either are or will be trying to respond to the current Shell grocer programs, no one will be able to match this new expanded cents per gallon customer offer.

Can I choose to only redeem rewards, or is participation in the Shell Fuel Rewards issuance program a requirement?

To participate in the FRN, you must be a redeemer at a minimum, and participation in Shell Fuel Rewards is optional.

How will Shell promote this program?

The launch of the Fuel Rewards Network at Shell will be THE big advertising initiative in covered markets, including TV/Radio, on-site signage packages, big P/R events and on-line marketing. All of these activities are designed to build awareness of the program, help drive customers to your sites to pick up the free Fuel Rewards Network Card and drive them to fuelrewards.com to learn all the ways they can save on fuel at your site. Don't miss this opportunity.

What is the Co-op for this program?

We will support this program launch with our co-op program for software upgrades and Reward Link Box purchases..

What other retailers will participate in the FRN?

Once the FRN has been launched across the entire Shell network, Shell plans to allow additional "brick and mortar" retailers to join the FRN as issuers. However, with the FRN Online Mall feature, FRN members will be able to earn FRN fuel rewards while making purchases on-line from over 700 of the leading online merchants, and in many cases the customer can pick-up their products at the local "brick and mortar" retail store. All they have to do is visit the exclusive FRN Online Mall and complete their purchases first and they'll be earning their FRN fuel rewards!

Will it cost me anything if I decide to opt out later?

After your first year at each participating site, it doesn't cost you anything to opt out. In the first year, the cost to opt out is \$750 for each site opting out.

How long will it take before I can see my ROI?

Every site differs depending on their investment needed and how well they execute the program.

What happens if I don't participate?

Customers will be looking for participating sites to redeem the big rewards they earn for buying the things they normally buy. You can miss out on the initial promotion of the program and the first mover benefits. After we launch a market, we will move on to the next one. It may take some time to get late participating sites on the program.

What have you done to prove this program is going to be a success?

Grocer rewards has proven that customers are more loyal to Shell. And we have proven this with only one category of spend in the typical household. The FRN has more ways for customers to save with their every day purchases in many more categories of spend such as home improvement, dining out, clothing, and many more.

Who do I contact if I have more questions?

Contact your area manager with any questions related to the FRN.

How long is the contract with Excentus?

Shell's agreement with Excentus is a multiple year, long term contract.

What is the wholesaler agreement for this program?

The agreement is an annual contract which continues year to year, unless terminated.

Can I offer rewards on alcohol/tobacco?

Tobacco is not allowed. Restrictions can vary by location for alcohol. Check the laws applicable to your locations to determine if you are eligible to promote alcohol.

Can I legally participate in the FRN?

Wholesalers should understand and consider any legal issues concerning their participation in their specific markets.

Why should I redeem if no one is issuing in my market?

There are opportunities for customers to earn Fuel Rewards savings with the FRN Online Mall. Additionally, wholesalers and their retailers also have the opportunity to become issuers themselves by participating in Shell Fuel Rewards. These programs alone could provide customers significant savings on fuel, driving them back to your site and building customer loyalty.

When will it launch in my market?

The Fuel Rewards Network will launch in phases during 2012. Final market sequencing and timing are being worked to fit around the national launch of our new fuel next year, but most markets will begin the process of enrollment and site-readiness with kick-off meetings for Shell jobbers/dealers beginning in December 2011 and thru Q1 2012. Your Shell area manager will notify you when your market kick-off meeting is scheduled approximately 6 months prior to market launch.

Reporting

What reports are available for tracking my reward activity?

There are multiple reports available to you for tracking reward issuance and redemption activity as well as settlement. Simply login through Shell Source and access summary level and transaction level detail reports.

Issuer Reports include: Issued Rewards, Redeemed Rewards, Liability, Expired

Redeemer Reports include: Discount Reimbursement, Rewards Redeemed

Settlement Reports include summary level totals necessary for settling with Excentus and your dealer sites.

Can I automate my settlement and reporting activities?

There are three data exports that you can take advantage of. The information on these exports can be picked up through an automated process and imported into your back office system, or you can contract with a 3rd party data service provider to process the files for you. The three available exports are:

- Reward Activity – For Shell Fuel Rewards Issuers – displays all transaction level reward activity detail relative to rewards you issued
- Fuel Detail – For all Shell Redeemers – displays all transaction level reward redemption detail relative to rewards you redeemed
- Settlement Export – Displays summary level settlement totals at the site level and at the Wholesale level

Support

Who do I call if I have an issue?

Wholesalers and dealers should contact the Shell Solutions Center at (866) HI-SHELL for all issues. The SSC will route the issue to the appropriate resources for handling. Typical issues that should be reported to the SSC are related to: EPOS, Internet, Dispensers, Shell Fuel Rewards, Loyalty Issues, Enrollment, Creating Offers, POP, etc.

Who do I direct customers to if they have an issue?

Customers should call the FRN Help Desk at (888) 603-0473. The FRN Help Desk will answer questions related to the program, their account, all of the ways to save, redemption process, card registration, etc.

What is the customer appeasement process?

The FRN Help Desk will work with wholesalers to resolve customer complaints.

Technology

I am already running a generic loyalty program (with KickBack, Outside, etc). Can I continue to run this and add FRN?

For Verifone SHOPAK sites, you will need to choose between FRN or your existing program, you cannot run both. For Gilbarco Passport sites, while not recommended, you can run FRN plus one additional non-Shell generic loyalty program

simultaneously. Customers will have to choose which loyalty program they wish to use on a given transaction. No programs can run that violate existing grocer rewards or FRN exclusivity.

I am running Shell Rewards. Can I continue to run this and add FRN?

Yes, if you upgrade to Verifone SHOPAK 5.01 or Gilbarco Passport 9.00. However, customers who use an FRN card will not be able to get a Shell Rewards discount on top of the FRN discount. Customers who do not use an FRN card will be eligible to receive a Shell Rewards discount. If you do not upgrade your software and enroll in both programs, you will only be able to run Shell Rewards.

I have locally configured discounts set up at my site. Can I continue to run these and add FRN?

It depends on which POS software you have, and how the local discount is set up.

- Gilbarco, Fuel Discount Maintenance – Any fuel discounts set up here (for card type, cash, carwash, manual fuel) can be added on top of FRN discounts. In Passport 9.00 these types of local discounts can also be added on top of Grocer Rewards and Shell Rewards discounts.
- Gilbarco, Carwash Package Discount – Any tiered carwash discounts set up here can be added on top of FRN discounts. In Passport 9.00 these type of local discounts can also be added on top of Grocer Rewards and Shell Rewards discounts. Note: Not recommended for use with the Shell Rewards Carwash Package discounts.
- Verifone, POP Discounting – Any local discounts set up here will only be given to customers if they do not use an FRN card or if both the local discount and the FRN discount are ticket level discounts (not rollbacks) which would generally only occur on a post pay. Sites can also configure which discount to give a customer if they qualify for both an FRN discount and POP discount. Sites running Shell Rewards or Kroger/Ahold Grocer Rewards will not be able to use POP discounting, even in Verifone SHOPAK 5.01.

Verifone, Cash/Credit Pricing – Dual tier pricing can be used in conjunction with all loyalty programs – Shell Rewards, Grocer Rewards, and FRN. In Verifone SHOPAK 5.01 sites will be able to choose which card types (e.g. debit, Shell branded cards) get the cash price and which card types get the credit price.

How much is this going to cost me to get setup?

The investment in this industry changing program is minimal. Sites already participating in grocery rewards programs have little to do to participate. You should attend the business seminar to learn more details.

- **fuelperks! Market** - almost nothing required you're already redeeming on the Excentus network;
- **Kroger/Ahold** - an internet connection, the latest version of the Shell EPOS software, an Excentus Reward Link box (less than \$200).
- **Gap market** - an internet connection, the latest version of the Shell EPOS software, an Excentus Reward Link box (less than \$200), and any firmware your dispensers require to roll back prices at pump.

How long is it going to take to get my sites ready?

Depending on your site, you may have little or nothing to do. It can be very simple to get set up. Upon enrollment, you will have access to documentation which will guide you through getting your sites ready for the FRN.

Can I request a spare Excentus Reward Link box?

Yes. Contact your Area Manager to place your order.

What are the minimum levels to which Gilbarco and VeriFone will roll back?

- Gilbarco rolls back to 1.9 cents
- VeriFone rolls back to 10.9 cents

Training

This seems like a lot of information for my employees to retain.

Your frontline employees are very busy, so all they need to do is tell customers to pick up their free FRN card (if they don't already have one) and register it online at www.fuelrewards.com. Once customers are on the website, they can learn about all the ways to save by watching a short video and browsing the website. Remember, the reward seeker is accustomed to learning about how to maximize their savings at the pump. Just drive them to the website to register their card and the FRN will take care of the rest.

Is there training material I can share with my employees?

Yes. The FRN will publish online training materials including videos and downloadable print materials for your employees including quick reference guides on how loyalty works with your EPOS system.

How do I learn more about the FRN?

The online training materials will also include information about enrollment, offer creation, ordering POP, settlement and reports.

Shell Fuel Rewards: Note: Shell Fuel Rewards is Optional

How do I issue Shell Fuel Rewards in my c-store and who funds these?

Participating Shell dealers have the option to issue Shell Fuel Rewards for purchases of convenience store products and services, like auto service and car washes, at their own Shell sites. What better way to promote your business than converting your supplier marketing and promotional funds into the most powerful promotion currency available... the almighty cents per gallon fuel savings! Some examples include:

- Converting the standard "Buy One Get One Free" promotion into a cents per gallon fuel reward
- Convert your coffee club program from a "5th Cup Free" to "5th cup gets you 5 cents per gallon

Your suppliers will find that converting their promo funds into Shell Fuel Rewards is the best way to promote their products at your store. Setting up and executing in-store promotions with Shell Fuel Rewards is easy, and the fees to issue rewards are minimal (i.e. pennies per transaction) and should be covered by your supplier promo funds.

Will Shell sponsor any national offers?

Shell will offer a number of nationally funded promotions for dealers to run including a cents per gallon offer on Pennzoil products. Plus, when the customers come back to your site to redeem a reward that you issued, there is no program redemption fee for that reward.

What are the fees for issuing Shell Fuel Rewards?

As a reward issuer, you are responsible for funding the entire reward including a very small issuance fee. The fee for a car wash offer is \$0.0045 per Cent/Gallon reward amount, and the fee for all other products and service offers is \$0.009 per Cent/Gallon reward amount. For example, if you are offering a 10 Cents/Gallon reward for every car wash purchase, you will fund the entire reward amount plus the issuance fee, only if that reward is redeemed. No issuance payment is due if the reward is never redeemed (abandoned.) If the customer redeems their 10 Cent reward for 13 gallons, your total issuance payment amount is:

Total Discount Amount: 10 Cents x 13 gallons = \$1.30

Issuance Fee: 10 Cents x \$0.0045 = \$0.045

Total Issuance Payment: \$1.30 + \$0.045 = \$1.345

How do I create offers?

Shell and Excentus are in the process of developing an online user interface through Shell Source that will soon be available. You will have the opportunity to select from over 200 brands and choose the reward parameters including quantity and reward value. As soon as this online tool is available, we will notify you.

Who do I call if I have issues with creating offers?

All issues should be reported to the Shell Solutions Center at (866) HI-SHELL.

How do I order POP to support my offers?

The online user interface through Shell Source will also include the option to order POP directly from Pointsmith.

Can I create my own POP?

No. Shell has developed templates with Pointsmith that reflect the Shell brand image and follow Shell's branding guidelines.

Is there a charge for Shell Fuel Rewards POP?

Yes. The fees vary based on the sign elements and quantities.

How long will it take for my POP to arrive?

Pointsmith will usually ship your POP within 10-14 days of placing the order.

How do I determine the best products to promote and the reward values of each offer that will give me the most return?

Shell and Excentus are developing a best practices guide for you to reference when creating offers.

I have several sites. Is there a way for me to easily create offers for multiple sites?

We will provide an Offer Import File Specification that will allow you to easily create multiple offers for multiple sites. The file can be uploaded via the offer creation tool on Shell Source. As soon as the offer creation tool is available, we will notify you.

Settlement

How do I settle?

The settlement process is straightforward. Shell Wholesalers will settle directly with Excentus. Shell will provide online access to detailed reports through Shell Source supporting all reward transaction data and Settlement information. Wholesalers are responsible for settling with their Dealer sites. Settlement with Excentus occurs daily (M-F) and upon reward redemption. Wholesalers typically receive reimbursement within 5 business days.

As a redeemer only, there are two steps for settlement:

1. Excentus will send a daily ACH transaction to the wholesaler's bank account to reimburse you for all rewards redeemed at your sites on behalf of all foreign issuers minus the redemption fee.
2. Wholesaler will be responsible for sending reimbursements through to the dealer sites

As an issuer and redeemer, there are three steps for settlement:

1. Wholesaler will send a daily ACH transaction to Excentus' bank account to reimburse other redeemers (wholesalers) for rewards you issued plus the issuance fee.
2. Excentus will send a daily ACH transaction to the wholesaler's bank account to reimburse you for all rewards redeemed at your sites on behalf of all foreign issuers minus the redemption fee.
3. Wholesaler will be responsible for sending reimbursements through to the dealer sites

When do reimbursements show up in my account after the rewards are redeemed?

The redemption reimbursement settlement process with Excentus typically takes approximately 5 business days. For example, if you redeem a reward on Monday you will typically see the reimbursement for that transaction in your bank account the following Monday. Excentus sends reimbursements to your bank account via ACH on a daily basis (Monday through Friday, with the exception of holidays).

Will I always pay an issuance fee if I participate in Shell Fuel Rewards? Note: Shell Fuel Rewards is optional

Yes. Shell Fuel Rewards Issuers will always pay an issuance fee for all rewards issued that are redeemed. If you issue a reward that is never redeemed (abandoned), no issuance fee will apply.

Will I always pay a redemption fee?

No. Redemption fees will not apply if the redemption transaction only includes rewards earned at a site within your wholesale network. So if you issue a reward and it is also redeemed at one of your sites within your wholesale network, you will not pay a redemption fee. However, if any part of the reward redemption transaction includes a foreign reward,

meaning a reward issued by a participant outside your wholesale network, a redemption fee will apply. For example, if you redeem a reward that included a Shell Fuel Reward that you issued as well as a reward issued by a grocer and a dining location, a redemption fee will apply.

Why do I have to provide my bank account information and fill out a W9 form?

Excentus will deposit your redemption reimbursements directly into your bank account on a daily basis, Monday through Friday with the exception of holidays and bank closings. The W9 is an IRS requirement, and Excentus will confidentially keep your banking information and W9 on file.

What if my banking information changes?

Contact the Shell Solutions Center at (866) HI-SHELL and they will route your request to Excentus. An Excentus representative will contact you directly to coordinate the change.

Who do I call if I have questions or issues regarding settlement and reconciliation?

Wholesalers and Dealers should contact the Shell Solutions Center at (866) HI-SHELL with any type of settlement issue. They will escalate the issue to Excentus for research and handling.

What are the fees?

The Shell dealer pays the same fee (3.5 cents per gallon redeemed), regardless if the customer redeems 10 cents per gallon, or stacks multiple discounts from multiple retailers to achieve a \$2.00 or \$3.00 per gallon (or more) savings! Issuance fees vary based on the offer. For Car Wash offers, the issuance fee is \$0.0045 per reward penny and for all other offers, the issuance fee is \$0.009 per reward penny. The fee rate is calculated by the cents per gallon discount amount. For example, on a Car Wash offer of "Purchase any Car Wash, Earn 10 Cents per Gallon" the issuance fee is $(\$0.0045 \times 10) = \0.045 .