GAP INC
Form SC 13G/A
February 14, 2013

UNITED STATES

SECURITIES EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 2)*

The Gap, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

364760108

(CUSIP Number)

December 31, 2012

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

¨ Rule 13d-1(b)

x Rule 13d-1(c)

¨ Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (the Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 364760108

1 NAME OF REPORTING PERSON

ESL Partners, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x (b) ¨

3 **SEC USE ONLY**

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	**5**	SOLE VOTING POWER 14,320,977
	6	SHARED VOTING POWER 0
	7	SOLE DISPOSITIVE POWER 14,320,977
	8	SHARED DISPOSITIVE POWER 11,068,617

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

25,389,594

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES ¨

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.3% (1)

12 TYPE OF REPORTING PERSON

PN

(1) Based upon 479,419,352 shares of common stock outstanding as of November 27, 2012, as disclosed in a Form 10-Q for the quarter ended October 27, 2012 that was filed on December 4, 2012 by the Issuer with the Securities and Exchange Commission.

CUSIP No. 364760108

1 NAME OF REPORTING PERSON

RBS Partners, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x (b) ¨

3 **SEC USE ONLY**

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

14,320,977

6 SHARED VOTING POWER

0

7 SOLE DISPOSITIVE POWER

14,320,977

8 SHARED DISPOSITIVE POWER

11,068,617

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CUSIP No. 364760108

1	NAME OF REPORTING PERSON	ESL Investments, Inc.
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) x (b) ¨
3	**SEC USE ONLY**	
4	CITIZENSHIP OR PLACE OF ORGANIZATION	Delaware
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	**5** SOLE VOTING POWER	0
	6 SHARED VOTING POWER	14,320,977
	7 SOLE DISPOSITIVE POWER	0
	8 SHARED DISPOSITIVE POWER	14,320,977
9	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	11,068,617
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES ¨	25,389,594

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.3% (1)

12 TYPE OF REPORTING PERSON

CO

(1) Based upon 479,419,352 shares of common stock outstanding as of November 27, 2012, as disclosed in a Form 10-Q for the quarter ended October 27, 2012 that was filed on December 4, 2012 by the Issuer with the Securities and Exchange Commission.

CUSIP No. 364760108

1 NAME OF REPORTING PERSON

Edward S. Lampert

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) x (b) ¨

3 **SEC USE ONLY**

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	**5**	SOLE VOTING POWER 25,389,594
	6	SHARED VOTING POWER 0
	7	SOLE DISPOSITIVE POWER 14,320,977
	8	SHARED DISPOSITIVE POWER 11,068,617

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10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES ¨

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.3% (1)

12 TYPE OF REPORTING PERSON

IN

(1) Based upon 479,419,352 shares of common stock outstanding as of November 27, 2012, as disclosed in a Form 10-Q for the quarter ended October 27, 2012 that was filed on December 4, 2012 by the Issuer with the Securities and Exchange Commission.

ITEM 1(a): Name of Issuer:
The Gap, Inc. (the Issuer)

ITEM 1(b): Address of Issuer s Principal Executive Offices:
Two Folsom Street, San Francisco, California 94105

ITEM 2(a): Name of Person Filing:
This statement is being filed by and on behalf of ESL Partners, L.P. (Partners), RBS Partners, L.P. (RBS), ESL Investments, Inc. (Investments) and Edward S. Lampert. Partners and Mr. Lampert are the record and direct beneficial owners of the securities covered by this statement.

Mr. Lampert is the record and direct beneficial owner of 11,068,617 shares of common stock of the Issuer. Partners is a party to certain agreements with Mr. Lampert and may be deemed to have shared dispositive power over, and indirectly beneficially own securities owned by, Mr. Lampert.

RBS is the general partner of, and may be deemed to indirectly beneficially own securities owned by, Partners. Investments is the general partner of, and may be deemed to indirectly beneficially own securities owned by, RBS. Mr. Lampert is the Chairman, Chief Executive Officer and Director of, and may be deemed to indirectly beneficially own securities owned by, Investments. Partners, RBS, Investments and Mr. Lampert are collectively defined as the Reporting Persons.

Each Reporting Person declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Sections 13(d) or 13(g) of the Act, the beneficial owner of any securities covered by this statement.

Each Reporting Person may be deemed to be a member of a group with respect to the Issuer or securities of the Issuer for the purposes of Section 13(d) or 13(g) of the Act. Each Reporting Person declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act together with any other person) as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of the Issuer or otherwise with respect to the Issuer or any securities of the Issuer or (ii) a member of any group with respect to the Issuer or any securities of the Issuer.

ITEM 2(b): Address of Principal Business Office or, if None, Residence:
The address of the principal business office of each of the Reporting Persons is 170 Kane Concourse, Suite 200, Bay Harbor, Florida 33154.

ITEM 2(c): Citizenship:
See Item 4 on the cover page(s) hereto.

ITEM 2(d): Title of Class of Securities:
Common Stock

ITEM 2(e): CUSIP Number:
364760108

ITEM 3: If This Statement is Filed Pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), Check Whether the Person Filing is a:

(a) ¨ Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o);

(b) ¨ Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c);

(c) ¨ Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c);

(d) ¨ Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8);

(e) ¨ An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);

(f) ¨ An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);

(g) ¨ A parent holding company or control person in accordance with §240.13d-1(b)(1)(ii)(G);

(h) ¨ A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);

(i) ¨ A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);

(j) ¨ Group, in accordance with §240.13d-1(b)(1)(ii)(J).

If filing as a non-U.S. institution in accordance with Rule 240.13d-1(b)(1)(ii)(J), please specify the type of institution:

Not applicable.

ITEM 4: Ownership.

(a) Amount Beneficially Owned: See Item 9 on the cover page(s) hereto.

(b) Percent of Class: See Item 11 on the cover page(s) hereto.

(c) Number of Shares of which such person has:

(i) Sole power to vote or direct the vote: See Item 5 on the cover page(s) hereto.

(ii) Shared power to vote or direct the vote: See Item 6 on the cover page(s) hereto.

(iii) Sole power to dispose or direct the disposition of: See Item 7 on the cover page(s) hereto.

(iv) Shared power to dispose or direct the disposition of: See Item 8 on the cover page(s) hereto.

ITEM 5: Ownership of Five Percent or Less of a Class:

Not applicable.

ITEM 6: Ownership of More than Five Percent on Behalf of Another Person:

Not applicable.

ITEM 7: Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:

Not applicable.

ITEM 8: Identification and Classification of Members of the Group:

See Item 2(a).

ITEM 9: Notice of Dissolution of a Group:
Not applicable.

ITEM 10: Certification.
By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 14, 2013

ESL PARTNERS, L.P.

By: RBS Partners, L.P., as its general partner

By: ESL Investments, Inc., as its general partner

By: /s/ Edward S. Lampert
Name: Edward S. Lampert
Title: Chief Executive Officer

RBS PARTNERS, L.P.

By: ESL Investments, Inc., as its general partner

By: /s/ Edward S. Lampert
Name: Edward S. Lampert
Title: Chief Executive Officer

ESL INVESTMENTS, INC.

By: /s/ Edward S. Lampert
Name: Edward S. Lampert
Title: Chief Executive Officer

EDWARD S. LAMPERT

/s/ Edward S. Lampert

EXHIBITS

Exhibit 99.1 Joint Filing Agreement, dated February 14, 2012, by and among ESL Partners, L.P., RBS Partners, L.P., ESL Investments, Inc. and Edward S. Lampert (incorporated herein by reference to Exhibit 99.1 to the amendment to Schedule 13G filed on February 14, 2012 by the Reporting Persons with the Securities and Exchange Commission).

immediately prior to the effective time of the merger (other than dissenting shares, converted shares or cancelled shares (each as described below)) will be cancelled and converted into the right to receive $13.25 in cash, without interest, (the merger consideration .)

Notwithstanding the foregoing, any shares of Common Stock then held by any wholly owned subsidiary of MoneyGram will be converted into one fully paid and non-assessable share of common stock of the surviving corporation, (the converted shares,) and any shares of Common Stock then held by MoneyGram, Alipay, Merger Sub or any entity of which Merger Sub is a direct or indirect wholly owned subsidiary will be cancelled and retired and no cash or other consideration will be delivered in exchange of such shares, or the cancelled shares.

In addition, any shares of Common Stock that are issued and outstanding immediately prior to the effective time of the merger and as to which the holders thereof have not voted in favor of the approval and adoption of the merger agreement and have properly demanded appraisal in accordance with Section 262 of the DGCL and have not effectively withdrawn such demand, (referred collectively to as the dissenting shares) will not be converted into the right to receive the merger consideration, and such holders will be entitled only to such rights and payments as are granted by Section 262 of the DGCL; provided, however, that if any such holder effectively waives, withdraws or loses such holder s rights under Section 262 of the DGCL, each of such holder s dissenting shares will thereupon be deemed to have been converted at the effective time of the merger into the right to receive the merger consideration, without interest and after giving effect to any required tax withholdings as provided in this proxy statement, and such holder thereof will cease to have any other rights with respect thereto. For more information regarding appraisal rights, see the section entitled The Merger Appraisal Rights.

At the effective time of the merger, each share of common stock, par value $0.01 per share, of Merger Sub outstanding immediately prior to the effective time of the merger will be converted into and become one share of common stock of the surviving corporation.

Effect of the Merger on the Series D Preferred Stock

At the effective time of the merger, each share of Series D Preferred Stock will be cancelled and each holder of shares of Series D Preferred Stock will be entitled to receive an amount in cash equal to the aggregate merger consideration such holder would have received had such holder, immediately prior to the effective time of the merger, converted all of its shares of Series D Preferred Stock into shares of Common Stock of MoneyGram (without regard to any limitations contained in the certificate of designation with respect to such Series D Preferred Stock).

As of the record date, there are shares of Series D Preferred Stock outstanding, all of which are held by Goldman Sachs, which are convertible into shares of Common Stock. Thus, upon completion of the merger, Goldman Sachs will receive $ in merger consideration.

Treatment of Equity Awards

At the effective time of the merger, each outstanding MoneyGram Option, granted pursuant to MoneyGram s 2005 Omnibus Incentive Plan, as amended, restated, modified or supplemented from time to time, whether vested or unvested, that is outstanding immediately prior to the effective time of the merger, unless otherwise agreed to in

writing by Alipay and the holder of such MoneyGram Option, will automatically be terminated at the effective time of the merger and converted into the right of the holder thereof to receive, in full satisfaction of MoneyGram s obligations with respect to any such MoneyGram Option, as of the effective time of the merger, an amount in cash (subject to any applicable withholding taxes) equal to the product of (x) the excess, if any, of the merger consideration over the applicable exercise price of such MoneyGram Option and

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(y) the number (determined without reference to vesting requirements or other limitations on exercisability) of shares of Common Stock of MoneyGram issuable upon exercise of such MoneyGram Option. Any MoneyGram Option that is outstanding immediately prior to the effective time of the merger and has an exercise price that is equal to or greater than the merger consideration will expire upon the effective time of the merger without being converted into the right to receive any merger consideration in respect thereof.

At the effective time of the merger, each MoneyGram RSU, whether subject to performance-based vesting requirements or time-based vesting requirements, outstanding immediately prior to the effective time of the merger, will, unless otherwise agreed to in writing by Alipay and the holder of such MoneyGram RSU, automatically be converted into a cash-settled long-term incentive award (a converted award), representing a right to receive an amount of cash, without interest, equal to the per share merger consideration, on the same vesting terms and conditions applicable to such MoneyGram RSU immediately before the effective time of the merger. On the date, and to the extent, that the converted award becomes vested, such vested converted award will be paid, subject to any applicable withholding taxes, as soon as practicable thereafter (but in any event not later than the second regular payroll date thereafter). MoneyGram will take all actions necessary to provide for the foregoing actions.

Payment of the Merger Consideration

Prior to the effective time of the merger, Alipay will enter into an agreement in form and substance reasonably acceptable to MoneyGram with MoneyGram s transfer agent or a bank or trust company that is reasonably satisfactory to MoneyGram to act as paying agent (the Paying Agent). At or prior to the effective time of the merger, Alipay or one of its subsidiaries will deposit, or cause to be deposited, with the Paying Agent, for the benefit of the holders of shares of Common Stock of MoneyGram (other than dissenting shares, converted shares or cancelled shares) and the Series D Preferred Stock cash in U.S. dollars sufficient to pay the aggregate merger consideration with respect to all such shares of Common Stock of MoneyGram (other than dissenting shares, converted shares or cancelled shares) and Series D Preferred Stock outstanding immediately prior to the effective time of the merger. With respect to any dissenting shares, Alipay will only be required to deposit or cause to be deposited with the Paying Agent funds sufficient to pay the aggregate merger consideration payable in respect of such dissenting shares if the holder thereof fails to perfect or effectively withdraws or loses its right to dissent under the DGCL. The funds held by the Paying Agent will be invested by the Paying Agent as directed by Alipay; provided, however, to the extent such funds are not sufficient to make the payments provided in the merger agreement, Alipay will, or will cause the surviving corporation to, promptly replace or restore the lost portion of such fund so as to ensure that it is maintained at a level sufficient to make such payments.

As soon as reasonably practicable after the effective time of the merger, Alipay will cause the Paying Agent to mail to each holder of record of shares of Common Stock of MoneyGram (other than dissenting shares, converted shares or cancelled shares) or Series D Preferred Stock that immediately prior to the effective time of the merger were evidenced by certificates: (i) a form of letter of transmittal and (ii) instructions for use in effecting the surrender of the certificates in exchange for the merger consideration. Upon proper surrender of such certificate (or affidavits of loss in lieu thereof) for exchange and cancellation to the Paying Agent, together with a letter of transmittal, duly completed and validly executed in accordance with the instructions thereto, and such other documents as may be reasonably required pursuant to such instructions, the holder of such certificate will be entitled to receive in exchange therefor the merger consideration in respect of the shares of Common Stock of MoneyGram or Series D Preferred Stock formerly represented by such certificate and such certificate so surrendered will be cancelled. No interest will be paid or accrued for the benefit of holders of the certificates on the merger consideration payable upon the surrender of such certificates

Any holder of record of shares of Common Stock of MoneyGram (other than dissenting shares, converted shares or cancelled shares) or Series D Preferred Stock that immediately prior to the effective time of the merger were not evidenced by certificates, or book entry shares, will not be required to deliver a certificate or, unless reasonably requested by the Paying Agent, an executed letter of transmittal to the Paying Agent in order to

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receive the aggregate merger consideration with respect to such book entry shares, and as soon as reasonably practicable after the effective time of the merger, the Paying Agent will pay and deliver to each holder of book entry shares the aggregate merger consideration in respect of such book entry shares, and such book entry shares will then be canceled. No interest will be paid or accrued for the benefit of holders of book entry shares on the merger consideration payable in respect of such book entry shares.

Representations and Warranties; Material Adverse Effect

The merger agreement contains representations and warranties of MoneyGram, subject to certain exceptions in the merger agreement, in the confidential disclosure schedule delivered in connection with the merger agreement and in certain of MoneyGram s public filings, as to, among other things:

corporate organization;

capitalization;

corporate authority and the recommendation of our board of directors;

consents and approvals of governmental entities and other third parties relating to the execution, delivery or performance of the merger agreement;

MoneyGram s SEC filings;

financial statements and the absence of undisclosed liabilities;

the absence of a material adverse effect and certain other changes or events;

legal proceedings;

compliance with applicable law;

material contracts;

tax matters;

employee and employee benefit plan matters;

labor matters;

intellectual property;

environmental liability;

real and personal property matters;

insurance matters;

anti-takeover statutes;

required stockholder vote;

the accuracy and completeness of the information supplied for the purposes of this proxy statement;

receipt of a fairness opinion from BofA Merrill Lynch;

broker s fees;

transactions with affiliates.

The merger agreement also contains representations and warranties of Alipay and Merger Sub, subject to certain exceptions in the merger agreement, as to, among other things:

corporate organization;

corporate authority;

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- governmental and third party consents and approvals relating to the execution, delivery and performance of the merger agreement;
- broker s fees;
- the accuracy and completeness of the information supplied for the purposes of this proxy statement;
- approvals by the stockholder of Alipay;
- ownership of MoneyGram s Common Stock;
- litigation;
- the debt financing; and
- solvency.

Some of the representations and warranties in the merger agreement are qualified by materiality or knowledge qualifications or a material adverse effect qualification with respect to MoneyGram or a parent material adverse effect with respect to Alipay, as discussed below.

For purposes of the merger agreement, a material adverse effect means any fact, circumstance, event, change, effect or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes, effects, or occurrences has or would be reasonably expected to have a material adverse effect on the business, results of operations or financial condition of MoneyGram and its subsidiaries taken as a whole; provided, however, that in determining whether a material adverse effect has occurred there will be excluded any effect on MoneyGram and its subsidiaries to the extent caused by, resulting from or relating to the following (except the effect of the changes described in the first, third, fifth, sixth and seventh bullets below will not be excluded to the extent of the disproportionate impact, if any, they have on MoneyGram and its subsidiaries relative to other participants in the money transmission industry):

- any change after the date of the merger agreement in laws of general applicability or published interpretations thereof by courts or governmental entities or in U.S. generally accepted accounting principles;
- the announcement or execution of the merger agreement or the transactions contemplated thereby, including the identity of Alipay and any announced plans or intentions of Alipay with respect to MoneyGram or the business of MoneyGram and its subsidiaries following the closing (provided that the exception in this bullet will not apply to the use of the term material adverse effect in the representations and warranties regarding

consents and approvals of governmental entities and other third parties relating to the execution, delivery or performance of the merger agreement);

any changes after the date of the merger agreement in general political, tax, economic or business conditions in the U.S. or any country or region in the world in which MoneyGram or any of its subsidiaries does business, or any changes in securities, credit or capital market conditions, including interest rates or exchange rates;

the failure by MoneyGram and its subsidiaries to meet internal projections or forecasts or published revenue or earnings predictions for any period ending on or after the date of the merger agreement or a decrease in the market price or the trading volume of shares of Common Stock of MoneyGram (provided that the exception in this bullet will not prevent the underlying facts giving rise or contributing to such failure or decrease from being taking into account in determining whether a material adverse effect has occurred);

hurricanes, earthquakes, floods or other natural disasters;

the commencement, continuation or escalation of a war (whether or not declared), armed hostilities or acts of terrorism;

any change or effect generally affecting the money transmission industry,

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the performance by MoneyGram or any of its affiliates of its or their express obligations under the merger agreement; or

any action or omission by MoneyGram taken at the express written request Alipay.

A material adverse effect also includes any fact, circumstance, event, change, effect or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes, effects, or occurrences that prevents or materially delays or materially impairs, or that would reasonably be expected to prevent, materially delay or materially impair, MoneyGram s ability to perform its obligations under the merger agreement or consummate the transactions contemplated thereby on a timely basis.

For purposes of the merger agreement, a parent material adverse effect with means any fact, circumstance, event, change, effect or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes, effects, or occurrences prevents or materially delays or materially impairs, or that would reasonably be expected to prevent, materially delay or materially impair, Guarantor s, Alipay s and Merger Sub s ability to perform their respective obligations under the merger agreement or consummate the transactions contemplated thereby.

Conduct of Business Pending the Merger

The merger agreement provides that except (i) as expressly contemplated or permitted by the merger agreement, (ii) as required by any applicable law applicable to MoneyGram or any of its subsidiaries, (iii) as set forth on the confidential disclosure schedules or (iv) with the prior written consent of Alipay (which consent will not be unreasonably withheld or delayed), during the period from the date of the merger agreement to the effective time of the merger, (A) MoneyGram will, and will cause each of its subsidiaries to, (1) conduct its business in all material respects in the ordinary course consistent with past practice and (2) use reasonable best efforts to maintain and preserve intact its business organization, and its rights, authorizations, franchises and other authorizations issued by governmental entities, preserve its business relationships with persons doing business with it and retain the services of its officers and key employees and (B) MoneyGram will not, and will not permit any of its subsidiaries to, subject to certain exceptions as set forth in the merger agreement:

amend or otherwise change MoneyGram s certificate of incorporation or bylaws and, with respect to subsidiaries of MoneyGram, amend or otherwise change their applicable organizational documents in any material respect;

adjust, split, combine or reclassify any capital stock or other equity interest or enter into a plan of consolidation, merger, share exchange, share acquisition, reorganization or complete or partial liquidation with any person;

issue, grant, sell, dispose of, redeem or repurchase any equity securities or equity-based award in MoneyGram or any of its subsidiaries, or securities convertible into, or exchangeable or exercisable for, any such equity securities or awards, or any rights of any kind to acquire any such equity securities or such convertible or exchangeable securities;

declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of Common Stock, Series D Preferred Stock or other shares of capital stock or equity interests;

sell, exclusively license, transfer, mortgage, encumber or otherwise dispose of, any assets, rights or businesses of MoneyGram or its subsidiaries (including any capital stock of any subsidiaries);

acquire any corporation, partnership or other business organization or division thereof or any assets;

(A) incur, assume, refinance or guarantee any indebtedness for borrowed money or issue any debt securities, or assume or guarantee any indebtedness for borrowed money of any person or (B) enter into any swap or hedging transaction or other derivative agreement (other than a forward contract entered into in the ordinary course of business consistent with past practice);

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make any loans, advances or capital contributions to, or investments in, any other person;

enter into any contract involving or providing for the settlement of, or other arrangements with respect to, any claims or threatened claim (or series of related claims);

except in the ordinary course of business consistent with past practice, enter into, amend in any material respect, waive compliance with any material rights with respect to, or cancel or terminate any material contract;

except for the expenditures contemplated by and consistent with the 2017 and 2018 capital expenditure budgets, make, or commit to make, or otherwise authorize any capital expenditures in excess of $2,000,000 in 2017 or $2,000,000 in 2018;

(A) increase the compensation or benefits of any employee; (B) grant or pay any cash bonus, change-in-control, retention bonus, severance or termination pay to any employee; (C) establish, adopt, enter into, amend, terminate or grant any waiver or consent under any employee benefit plan; (D) grant any equity or equity-based awards; (E) hire, or terminate the employment of, any employee, other than for cause; (F) take any action to accelerate the vesting or time of payment of any compensation or benefit under any employee benefit plan or awards made thereunder; (G) loan or advance any money or other property to any present or former director, officer or employee of MoneyGram or its subsidiaries or (H) increase the funding obligation or contribution rate of any employee benefit plan subject to Title IV of Employee Retirement Income Security Act of 1974, as amended;

announce, implement or effect any reduction in force, layoff or other program resulting in the termination of employees, in each case, that would trigger the Worker Adjustment and Retraining Notification Act;

make any material changes in its methods, practices or policies of financial accounting;

(A) make or change any material tax election, (B) file any amended tax returns, (C) settle or compromise any material tax liability of MoneyGram or any of its subsidiaries, (D) agree to an extension or waiver of the statute of limitations with respect to the assessment or determination of taxes of MoneyGram or any of its subsidiaries, (E) enter into any closing agreement with respect to any material tax or surrender any right to claim a material tax refund, (F) incur any material liability for taxes outside the ordinary course of business, (G) make any material changes in its methods, practices or policies of tax accounting;

fail to use its reasonable best efforts to maintain in full force and effect the existing insurance policies of MoneyGram and its subsidiaries or to replace such insurance policies with comparable insurance policies;

fail to use its reasonable best efforts to maintain in full force and effect any money transmitter license to continue to operate its business as currently operated;

except for any changes made to comply with MoneyGram s deferred prosecution agreement with the Department of Justice or similar changes intended to enhance MoneyGram s compliance procedures in the ordinary course of business, (A) make any changes to the operation or protection of IT assets related to compliance with anti-money laundering laws or regulations administered by U.S. Department of the Treasury s Office of Foreign Assets Control or (B) make any material changes in the operation or protection of any material IT assets; or

agree to, or make any commitment to, take any of the foregoing actions.

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No Solicitation

Until the effective time of the merger or, if earlier, the date on which the merger agreement is terminated in accordance with its terms, MoneyGram will not, and MoneyGram will cause its subsidiaries not to, and will use reasonable best efforts to cause its and its subsidiaries respective directors, officers, employees and representatives not to, directly or indirectly:

- initiate, solicit, knowingly encourage or knowingly facilitate (including by way of providing information) the submission of any inquiries, proposals or offers that constitute or would reasonably be expected to lead to any Company acquisition proposal;

- have any discussions or negotiations with or provide any confidential information or data to any person relating to a Company acquisition proposal, or engage in any negotiations concerning a Company acquisition proposal;

- withdraw, change, amend, modify or qualify, or otherwise propose publicly to withdraw, change, amend, modify or qualify, in a manner adverse to Alipay, our board of directors recommendation or approve or recommend, or propose publicly to approve or recommend, any Company acquisition proposal (any act described in this bullet is referred to as a change of recommendation); or

- approve or recommend, or propose to approve or recommend, or execute or enter into, any letter of intent or other document or contract related to any Company acquisition proposal (other than an acceptable confidentiality agreement) or enter into any letter of intent or other document or contract requiring MoneyGram to abandon, terminate or fail to consummate the transactions contemplated by or breach its obligations under the merger agreement.

Notwithstanding the foregoing restrictions, prior to the time required MoneyGram Stockholder Approval is obtained, if MoneyGram, any of its subsidiaries or any of their representatives receives an unsolicited bona fide written Company acquisition proposal that did not result from a breach of such foregoing restrictions and our board of directors concludes in good faith (after consultation with our outside legal and financial advisors) that such Company acquisition proposal constitutes a Company superior proposal or could reasonably be expected to result in a Company superior proposal, MoneyGram may, and may permit its subsidiaries and its and their directors, officers, employees and representatives, to:

- enter into and maintain discussions or negotiations with the person making such Company acquisition proposal; and

- furnish non-public information and afford access to the business, employees, officers, contracts, properties, assets, books and records of MoneyGram and its subsidiaries to the person making such Company acquisition proposal.

Prior to MoneyGram providing (or causing to be provided) such information or affording such access to, or entering into or maintaining such discussions or negotiations with, such person, MoneyGram will have entered into an acceptable confidentiality agreement with such person. In addition, MoneyGram will provide to Alipay any non-public information relating to MoneyGram or any of its subsidiaries that was not previously provided or made available to Alipay as promptly as reasonably practicable (but in any event within one day) after providing (or causing to be provided) any such information to such person making such Company acquisition proposal.

MoneyGram will notify Alipay orally and in writing promptly (but in any event within two days):

after receipt of any Company acquisition proposal (or any proposal or offer that constitutes or could reasonably be expected to lead to a Company acquisition proposal), which notice will include the identity of the person making such proposal or offer, a summary of the material terms of all such proposals or offers and copies of drafts of proposed agreements, term sheets or letters of intent related thereto;

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of any change to the financial or other material terms and conditions of any Company acquisition proposal and MoneyGram will otherwise keep Alipay reasonably informed of the status of any such Company acquisition proposal (including by providing copies of all proposals, offers and drafts of proposed agreements related thereto that have not already been provided); and

after receipt of any request for non-public information relating to MoneyGram or any of its subsidiaries or for access to its or any of its subsidiaries properties, books or records by any person in connection with a Company acquisition proposal (or any proposal or offer that constitutes or could reasonably be expected to lead to a Company acquisition proposal).

Neither MoneyGram nor any of its subsidiaries will, after the date of the merger agreement, enter into any confidentiality or similar agreement that would prohibit it from providing the information described above to Alipay.

For purposes of this proxy statement:

Company acquisition proposal means any inquiry, proposal or offer from any person or group (as defined in or under Section 13(d) of the Exchange Act) (other than Alipay or any of its subsidiaries) relating to, or that could reasonably be expected to lead to, any direct or indirect (a) acquisition, purchase or sale of a business or assets that constitute 20% or more of the consolidated business, revenues, net income or assets (including stock of MoneyGram s subsidiaries) of MoneyGram and its subsidiaries, (b) merger, reorganization, share exchange, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving (i) MoneyGram or (ii) one or more subsidiaries of MoneyGram representing 20% or more of the consolidated business, revenues, net income or assets of MoneyGram and its subsidiaries, (c) purchase or sale of, or tender or exchange offer (including a self-tender offer) for, securities of MoneyGram or any of its subsidiaries that, if consummated, would result in any person (or the stockholders of such person) or group (as defined in or under Section 13(d) of the Exchange Act) beneficially owning securities representing 20% or more of the equity or total voting power of MoneyGram, any of its subsidiaries or the surviving parent entity in such transaction or (d) any public announcement of a proposal, plan or intention to do any of the foregoing or any contract to engage in any of the foregoing.

Company superior proposal means a bona fide written Company acquisition proposal (with all references in the definition of Company acquisition proposal to 20% changed to 50% for purposes of this definition) made by any person or group (as defined in or under Section 13(d) of the Exchange Act) on terms that our board of directors determines in good faith, after consultation with MoneyGram s outside financial and legal advisors, is reasonably likely to be consummated and would result, if consummated, in a transaction that is more favorable to MoneyGram s stockholders from a financial point of view than the merger, after taking into account (a) the legal, financial, regulatory or other aspects of such proposal, (b) the likelihood and timing of consummation (as compared to the transactions contemplated by the merger agreement) and (c) any changes to the terms of the merger agreement proposed by Alipay and any other information provided by Alipay.

Change of Recommendation

Other than in connection with a Company acquisition proposal, prior to the time the MoneyGram Stockholder Approval is obtained, our board of directors may make a change of recommendation if and only if:

prior to taking such action, our board of directors determines in good faith, after consultation with the our outside legal and financial advisors, that failure to take such action would be inconsistent with its fiduciary duties to MoneyGram s stockholders under applicable law;

MoneyGram provides Alipay prior written notice of MoneyGram s intention to make a change of recommendation, which notice will specify in reasonable detail the reasons for such change of recommendation;

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for at least four business days after Alipay s receipt of such notice referred to in the bullet immediately above, MoneyGram has negotiated, and has caused its financial and legal advisors (and other representatives) to negotiate, with Alipay in good faith (to the extent Alipay desires to negotiate) to make such adjustments in the terms and conditions of the merger agreement in such a manner that the failure to make a change of recommendation would no longer be reasonably likely to be a violation of our board of directors fiduciary duties under applicable law; and

at the end of the period referred to in the bullet immediately above, our board of directors has concluded in good faith (after consultation with the our outside legal and financial advisors) that failure to make a change of recommendation would be inconsistent with its fiduciary duties under applicable law after giving effect to all of the adjustments which may be offered by Alipay pursuant to the bullet immediately above.

Nothing contained in the merger agreement prevents MoneyGram or our board of directors from (i) taking and disclosing a position contemplated by Rule 14e-2(a) under the Exchange Act or complying with the provisions of Rule 14d-9 promulgated under the Exchange Act with respect to a Company acquisition proposal or (ii) making any disclosure to MoneyGram s stockholders if our board of directors determines in good faith (after consultation with its outside legal advisors) that the failure to make such disclosure would be inconsistent with its fiduciary duties under applicable law (it being agreed that this clause (ii) will in no way eliminate or modify the effect that any such disclosure would otherwise have under the merger agreement); provided, that in no event will MoneyGram or our board of directors make a change of recommendation except as provided above and any public disclosure by MoneyGram or our board of directors relating to any determination or other action by our board of directors with respect to any Company acquisition proposal will be deemed to be a change of recommendation unless our board of directors expressly and concurrently reaffirms the recommendation of our board of directors.

Reasonable Best Efforts

Subject to the terms and conditions of the merger agreement, each of Alipay, Merger Sub and MoneyGram will use their reasonable best efforts to take, or cause to be taken, all actions necessary, proper or advisable to:

consummate the transactions contemplated by the merger agreement and to cause the closing conditions set forth in the merger agreement (as summarized below) to be satisfied as promptly as practicable and, in any event, on or before the end date (as summarized below),

prepare as promptly as practicable (and file, submit or effect, as applicable) all necessary applications, notices, petitions, filings, ruling requests and other documents in order to obtain (and to cooperate with the other parties to obtain) any approval from any governmental entity which is required to be obtained by Alipay, Merger Sub, MoneyGram or its subsidiaries in connection with the transactions contemplated by the merger agreement;

comply promptly with all legal requirements which may be imposed on such party with respect to the transactions contemplated by the merger agreement;

defend all lawsuits or other legal, regulatory, administrative or other proceedings to which it (or with respect to MoneyGram, its subsidiaries) is a party challenging or affecting the merger agreement or the consummation of the transactions contemplated by the merger agreement, in each case until the issuance of a final, non-appealable order with respect to each such lawsuit or other proceeding;

seek to have lifted or rescinded any injunction or restraining order which may adversely affect the ability of the parties to consummate the transactions contemplated by the merger agreement, in each case until the issuance of a final, non-appealable order with respect thereto; and

seek to resolve any objection or assertion by any governmental entity challenging the merger agreement or the transactions contemplated thereby.

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Subject to the other provisions of the merger agreement, each of MoneyGram, on the one hand, and Alipay and Merger Sub, on the other hand, will also:

- cooperate with the other parties thereto and use reasonable best efforts to take, or cause to be taken, all actions necessary, proper or advisable to obtain as promptly as practicable all approvals of all third parties and governmental entities which are necessary or advisable to consummate the transactions contemplated by the merger agreement;

- to the extent permitted by applicable legal requirements, promptly inform the other party or parties of any substantive communication (oral and written) received by such party from, or given by such party to, any governmental entity with respect to any such filing or approval or the transactions contemplated by the merger agreement, and of any substantive communication received or given in connection with any legal proceeding by a private party regarding the merger;

- consult with the other party or parties (subject to applicable legal requirements relating to the exchange of information) in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any party relating to proceedings with respect to any such approvals or the transactions contemplated by the merger agreement;

- use reasonable best efforts to furnish to the other party or parties and, upon request, to any governmental entities such information and assistance as may be reasonably requested in connection with the foregoing, including by responding promptly to and using reasonable best efforts to comply fully with any request for additional information or documents under any applicable law;

- not independently participate in any meeting (including substantive telephonic meetings) with any governmental entity in respect of any approval without giving the other party or parties sufficient prior notice of the meeting and, to the extent permitted by such governmental entity, the opportunity to attend and/or participate in such meeting (including substantive telephonic meetings); and

- use reasonable best efforts to comply with the terms and conditions of all such approvals of all such third parties and governmental entities.

Notwithstanding anything in the foregoing to the contrary, materials provided by or on behalf of Alipay to MoneyGram or its counsel or MoneyGram to Alipay or its counsel may be redacted to the extent necessary (a) to remove references concerning Alipay s or MoneyGram s valuation analyses with respect to MoneyGram and its subsidiaries, (b) to comply with contracts in effect on the date hereof or (c) to remove personal, proprietary and other confidential business information.

Notwithstanding anything in the merger agreement to the contrary, nothing in the merger agreement requires Alipay or any of its affiliates to agree to or take (nor will MoneyGram or its subsidiaries, without Alipay s prior written consent, take or agree to take) any action with respect to the matters set forth above that would have or reasonably be expected to have, individually or in the aggregate, a material adverse effect on:

the financial condition or result of operations of MoneyGram and its subsidiaries, taken as a whole; or

the financial condition or result of operations of Ant Financial and its subsidiaries, taken as a whole (but assuming for purposes of this bullet that the business and operations of Ant Financial and its subsidiaries, taken as a whole, were of the same size and magnitude as the business and operations of MoneyGram and its subsidiaries, taken as a whole) (any such arrangements, conditions or restrictions set forth in this bullet and the immediately preceding bullet is referred to as a burdensome condition).

Furthermore, notwithstanding anything in the merger agreement to the contrary, nothing in the merger agreement requires Alipay or any of its affiliates to sell, to hold separate or otherwise dispose of, any assets or business of Alipay or its affiliates, including those of MoneyGram and its subsidiaries following the closing. Alipay and its affiliates and MoneyGram and its subsidiaries are not required (and without the prior consent of

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Alipay, MoneyGram and its subsidiaries will not), take any action with respect to any order or any applicable law or in order to obtain any approval which is not conditioned upon the consummation of the merger.

Notwithstanding anything to the contrary in the merger agreement, in connection with obtaining any approval or consent from any persons (other than governmental entities) with respect to any transaction contemplated by the merger agreement, (i) none of MoneyGram or any of its subsidiaries will be required to, or, without the prior written consent of Alipay, will, pay or commit to pay to such person whose approval or consent is being solicited any cash or other consideration, make any commitment or incur any liability or other obligation due to such person and (ii) none of Alipay, Merger Sub or any of their affiliates will be required to pay or commit to pay to such person whose approval or consent is being solicited any cash or other consideration, make any commitment or incur any liability or other obligation.

MoneyGram Stockholders Meeting

MoneyGram will duly take all lawful action to call, give notice of, convene and hold a meeting of its stockholders for the purpose of obtaining the MoneyGram Stockholder Approval as promptly as practicable following the date the SEC confirms it has no further comments to the preliminary proxy statement. Except to the extent there has been a change of recommendation in accordance with and subject to the terms of the merger agreement, MoneyGram will use its reasonable best efforts to solicit from its stockholders proxies in favor of approval of the merger and secure any other approval of stockholders of MoneyGram that is required by applicable law in connection with the merger. The obligation of MoneyGram to duly call, give notice of, convene and hold the stockholders meeting will not be affected by a change in recommendation.

Employee Matters

During the period from the effective time of the merger until the first anniversary thereof, Alipay will or will cause the surviving corporation to provide to the employees who are employees of MoneyGram or a subsidiary of MoneyGram at the effective time of the merger (or continuing employees), compensation and benefits that are no less favorable, in the aggregate, to those provided to the continuing employees immediately prior to the closing (excluding equity, equity-based and long-term incentive compensation and excluding defined benefit pension plan benefits), while such continuing employees remain employed by MoneyGram or a subsidiary. During the period from the effective time of the merger until the first anniversary thereof, Alipay will or will cause the surviving corporation to provide the severance payments and benefits set forth in the MoneyGram International, Inc. Severance Plan, as it is in effect as of the signing of the merger agreement for continuing employees who are terminated during such period. Neither Alipay nor the surviving corporation nor any of its affiliates is required to provide employment or required to guarantee any continued compensation, employee benefits or other rights, to any company employee, or to continue any specific employee benefit plan.

Indemnification and Insurance

From and after the effective time of the merger, Alipay will cause the surviving corporation to indemnify and hold harmless, as and to the fullest extent provided in the certificate of incorporation and bylaws of MoneyGram as in effect on the date of the merger agreement and permitted by applicable law, all past and present directors and officers of MoneyGram or any of its subsidiaries, referred to collectively as, the Indemnified Parties, against any losses, claims, damages, liabilities, costs, expenses (including reasonable attorneys fees and expenses in advance of the final disposition of any claim, suit, proceeding or investigation to each Indemnified Party upon receipt of an undertaking from such Indemnified Party to repay such advanced expenses if it is determined by a final and non-appealable judgment of a court of competent jurisdiction that such Indemnified Party was not entitled to indemnification

hereunder), judgments, fines and amounts paid in settlement in connection with any actual or threatened claim, action, suit, proceeding or investigation, whether civil, criminal or administrative (in each case whether asserted or claimed before or after the effective time of the merger) arising out of acts or omissions occurring at or prior to the effective time of the merger in connection

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with such Indemnified Party serving as a director or officer of MoneyGram or any of its subsidiaries (including in connection with an Indemnified Party serving at the request of MoneyGram or any of its subsidiaries as a director, officer, employee, trustee or partner of another corporation, partnership, trust, joint venture, employee benefit plan or other entity and including acts or omissions occurring in connection with the merger agreement and the transactions contemplated thereby).

For a period of six years after the effective time of the merger, Alipay will maintain or cause MoneyGram to maintain for the benefit of the Indemnified Parties a directors and officers liability insurance policy (from MoneyGram s current insurance carrier or an insurance carrier with the same or better credit rating, as of the closing date of the merger, as MoneyGram s current insurance carrier) that provides coverage for acts or omissions occurring prior to the effective time of the merger with terms and conditions which are, in the aggregate, not less advantageous to such Indemnified Party than the terms and conditions of the existing directors and officers liability insurance policy of MoneyGram; provided that, at Alipay s option, in lieu of the foregoing insurance coverage, Alipay or, with Alipay s consent, MoneyGram may at or prior to the effective time of the merger, substitute the insurance coverage for a single premium tail coverage with respect to such insurance that provides coverage for period of six years after the effective time of the merger, with terms and conditions which are, in the aggregate, not less advantageous to such Indemnified Party than the terms and conditions of the existing directors and officers liability insurance policy of MoneyGram. Notwithstanding the foregoing, in no event will Alipay be required to expend, in the aggregate, an amount in excess of 300% of the annual premiums currently paid by MoneyGram for the existing directors and officers liability insurance policy of MoneyGram, and if Alipay is unable to maintain or obtain the required insurance for an amount equal to or less than such amount, Alipay will obtain as much comparable insurance as may be available for such amount.

Stockholder Litigation

In the event that any litigation or other claim of any stockholder related to the merger agreement, the merger or the other transactions contemplated by the merger agreement is initiated, or to the knowledge of MoneyGram, threatened against any of MoneyGram or its subsidiaries and/or the members of our board of directors (or of any equivalent governing body of any subsidiary of MoneyGram) prior to the effective time of the merger, MoneyGram will promptly notify Alipay of any such litigation or other claim and will keep Alipay reasonably informed on a current basis with respect to the status thereof. MoneyGram will consult with Alipay on a regular basis with respect to, and will give Alipay the opportunity to participate, at Alipay s expense, in the defense or settlement of, any such litigation or claims, and no such settlement or compromise will be agreed to without Alipay s prior written consent (such consent not to be unreasonably withheld or delayed).

Financing Assistance from MoneyGram

Prior to the Closing and provided that it does not unreasonably interfere with the business or ongoing operations of MoneyGram or any of its subsidiaries, MoneyGram will, and will cause each of its subsidiaries to, and will use its reasonable best efforts to cause its representatives to, use reasonable best efforts to provide all cooperation reasonably requested by Guarantor in connection with the arrangement of the debt financing, which reasonable best efforts will include:

furnishing the required information;

participating in (including using its reasonable best efforts to cause the members of senior management and the representatives of MoneyGram to participate in) a reasonable number of meetings, conference calls, presentations, meetings and calls with the lenders and prospective lenders and sessions with rating agencies in connection with the debt financing;

assisting with the preparation of materials for rating agency presentations, bank information memoranda (including, to the extent necessary, assistance in preparation of an additional bank information memorandum that does not include material non-public information) and similar

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documents required in connection with the debt financing, including using reasonable best efforts to cause the execution and delivery of reasonable and customary representation letters in connection with such materials;

cooperating reasonably with the lenders due diligence, to the extent customary and reasonable, in connection with the debt financing;

assisting in the preparation of, and executed and delivering, one or more credit or other agreements, as well as any pledge and security documents, and any other definitive financing documents, collateral filings or other certificates or documents as may be reasonably requested by Guarantor and otherwise facilitating the pledging of collateral;

facilitating the taking of all corporate actions by MoneyGram and its subsidiaries with respect to entering into such definitive financing documents and necessary to permit consummation of the debt financing;

using reasonable best efforts to obtain documents requested by Guarantor relating to repayment of the indebtedness under MoneyGram s existing credit agreement and the release of the related liens, including customary payoff letters and (to the extent required) evidence that notice of such repayment has been timely delivered to the existing lenders; and

providing at least five business days prior to closing all documentation and other information about MoneyGram that is reasonably requested by the lenders in writing at least 10 business days prior to Closing as the lenders reasonably determine is required by applicable know your customer and anti-money laundering rules and regulations including without limitation the USA PATRIOT Act.

Notwithstanding the foregoing, nothing in the merger agreement will require any such cooperation to the extent that it would:

require MoneyGram or any of its subsidiaries to enter into or approve any agreement or other documentation effective prior to the closing or agree to any change or modification of any existing agreement or other documentation that would be effective prior to the closing;

require MoneyGram, or any of its subsidiaries or any of their respective boards of directors (or equivalent bodies) to approve or authorize the debt financing prior to the occurrence of the effective time of the merger;

cause any closing set forth in the merger agreement to not be satisfied or otherwise cause any breach of the merger agreement; or

reasonably be expected to conflict with or violate MoneyGram s or its subsidiaries respective charter documents or any applicable law in any material respect, or result in the contravention of, or result in a violation or breach of, or default under, any material contract.

In addition, nothing the in the merger agreement will require MoneyGram or any subsidiary to cause the delivery of legal opinions or reliance letters or any certificate as to solvency.

Directors

Unless otherwise requested in writing by Alipay, MoneyGram will use reasonable best efforts to obtain the resignation of all of the members of our board of directors who are in office immediately prior to the effective time of the merger (and if requested in writing by Alipay, MoneyGram will use reasonable best efforts to obtain the resignation of any members of the board of directors (or any equivalent body) of any of the subsidiaries of MoneyGram), which resignations shall be effective at, and conditioned upon the occurrence of, the effective time of the merger.

MoneyGram will cooperate with Alipay and use its reasonable best efforts to provide that the individuals that Alipay may designate prior to the effective time of the merger to serve as members of the board of directors

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of the surviving corporation or the board of directors (or any equivalent body) of any subsidiary of MoneyGram, shall be appointed as directors of MoneyGram or directors (or such equivalent positions) of any such designated subsidiary, in each case effective at, and conditioned upon the occurrence of, the effective time of the merger.

Other Covenants and Agreements

The merger agreement also contains additional covenants, including, among others, covenants relating to access to information, public announcements relating to the merger, notice of failures to comply with covenants, actions to minimize the effect of any anti-takeover laws, delisting from the NASDAQ; and exemptions under Rule 16b-3 of the Exchange Act.

Conditions to Completion of the Merger

Mutual Conditions

Each party s obligation to complete the transactions contemplated by the merger agreement is subject to the satisfaction or (to the extent permitted by applicable law) waiver of the following conditions:

- the affirmative vote of the holders of a majority of the outstanding shares of Common Stock of MoneyGram at a meeting of the MoneyGram stockholders;
- the waiting period (and any extension thereof) applicable to the consummation of the merger under the HSR Act has expired or been terminated;
- the CFIUS Approval has been obtained (and all conditions to such approval required to be satisfied as of closing have been satisfied or waived) and remains in full force and effect; and
- there is no injunction, writ, order, award, judgment, settlement or decree or other legal restraint or prohibition issued by any governmental entity of competent jurisdiction preventing the consummation of the merger or any of the other transactions contemplated by the merger agreement and no law has been enacted, entered, promulgated or enforced by any governmental entity of competent jurisdiction which prohibits or makes illegal the consummation of the merger.

Additional Conditions for Alipay and Merger Sub

The obligations of Alipay and Merger Sub to complete the transactions contemplated by the merger agreement are subject to the satisfaction or waiver of the following additional conditions:

- the accuracy of the representations and warranties of MoneyGram both at and as of the date of the merger agreement and at and as of the closing date of the merger (except for any such representations and warranties expressly relate to a specified date, which representations and warranties must be true and correct as of that date), subject to such representations and warranties:

being true and correct in all respects, for the representations and warranties regarding the organization of MoneyGram, corporate authority and the recommendation of our board of directors, the absence of a material adverse effect, the opinion of MoneyGram s financial advisor and broker s fees;

being true and correct in all but *de minimis* respects, with regard to the capitalization of MoneyGram;

being true and correct in all material respects, with regard to certain representations and warranties including regarding the MoneyGram Options and MoneyGram RSUs, the subsidiaries of MoneyGram and the indebtedness of MoneyGram; and

being true and correct subject to a material adverse effect standard, with regard to all of MoneyGram s other representations and warranties;

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MoneyGram having performed or complied in all material respects with all obligations required to be performed or complied with by it under the merger agreement at or prior to the closing;

Alipay has received a certificate, signed on behalf of MoneyGram, certifying to the satisfaction of the conditions described in the two previous bullets;

the required money transfer permits have been made or obtained, as applicable, and remain in full force and effect and all statutory waiting periods relating to such required money transfer permits have expired or been terminated (in each case, without the imposition of any burdensome condition).

the CFIUS Approval has been obtained without the imposition of any burdensome condition.

Additional Conditions for MoneyGram

The obligation of MoneyGram to complete the transactions contemplated by the merger agreement is subject to the satisfaction or waiver of the following additional conditions:

the accuracy of the representations and warranties of Alipay regarding solvency is be true and correct in all respects as of the closing date of the merger as if made on and as of the closing date of the merger;

the other representations and warranties of Alipay is true and correct as of the closing date of the merger as if made on and as of the closing date of the merger (except to the extent any such representations and warranties expressly relates to a specified date, which representations and warranties must be true and correct only as of that specified date), subject to a parent material adverse effect ;

Alipay has performed or complied in all material respects with all obligations required to be performed by it under the merger agreement at or prior to the closing; and

MoneyGram has received a certificate, signed on behalf of Alipay, certifying to the satisfaction of the conditions described in the three previous bullets.

Termination

The merger agreement may be terminated at any time prior to the effective time of the merger, in the following ways:

by mutual written consent of Alipay and MoneyGram;

by either Alipay or MoneyGram, if:

any governmental entity which must grant a required money transfer permit has denied such approval and such denial has become final and non-appealable;

any governmental entity of competent jurisdiction has issued a final non-appealable order enjoining or otherwise prohibiting the consummation of the transactions contemplated by the merger agreement;

the effective time of the merger has not occurred on or before January 26, 2018, or the end date; however, if the required money transfer permits have not been obtained or waived as of January 26, 2018 (but all other closing conditions set forth in the merger agreement have been satisfied or waived) then either MoneyGram or Alipay may extend the end date to April 26, 2018 by delivering written notice to the other party; however the right to terminate the merger agreement pursuant to this bullet will not be available to (i) MoneyGram if the failure of the effective time of the merger to occur by such date is due to the failure of MoneyGram to perform or observe its covenants and agreements set forth in the merger agreement or (ii) Alipay, if the failure of the effective time of the merger to occur by such date is due to the failure of Guarantor, Alipay or Merger Sub to perform or observe their covenants and agreements set forth in the merger agreement;

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if the other party (or, in the case of Alipay, either Guarantor or Merger Sub) has breached any of the covenants, agreements, representations or warranties made by such other party (or, in the case of Alipay, either Guarantor or Merger Sub) set forth in the merger agreement and such breach (i) is not cured within 30 days following written notice to the party committing such breach, or which breach, by its nature, cannot be cured prior to the Closing and (ii) would entitle the non-breaching party not to consummate the transactions contemplated; provided that the terminating party (and, in the case of Alipay, Guarantor or Merger Sub) is not then in material breach of any representation, warranty, covenant or agreement set forth in the merger agreement (MoneyGram s or Alipay s right to terminate the merger agreement pursuant to this sub-bullet is referred to as the material breach termination right);

the MoneyGram Stockholder Approval has not been obtained at a meeting of the MoneyGram stockholders (including any adjournment or postponement thereof);

by Alipay, prior to obtaining the MoneyGram Stockholder Approval, if:

our board of directors has effected a change of recommendation, whether or not permitted under the merger agreement;

MoneyGram fails to call and hold a meeting of its stockholders or materially breaches the no solicitation provisions of the merger agreement;

MoneyGram has failed to publicly recommend against any tender offer or exchange offer that constitutes a competing acquisition proposal within 10 business days after the commencement of such tender offer or exchange offer; or

to the extent requested by Alipay, MoneyGram fails to publicly reaffirm the recommendation of our board of directors within 10 business days after a competing proposal has been publicly announced (or, if later, within three business days of Alipay s request) (Alipay s right to terminate the merger agreement pursuant to this sub-bullet and the three preceding sub-bullets is referred to as the change of recommendation termination right);

by MoneyGram, if:

(i) all the conditions to Alipay s obligation to complete the transaction have been satisfied or waived by Alipay (other than those conditions that by their nature are to be satisfied at the closing; provided that such conditions are capable of being satisfied), (ii) on or after the date the closing should have occurred pursuant to the merger agreement, MoneyGram has delivered written notice to Alipay that (a) all the conditions to Alipay s obligation to complete the transaction have been satisfied or waived by Alipay (other than those conditions that by their nature are to be satisfied at the closing; provided that such conditions are capable of being satisfied), (b) all the conditions to MoneyGram s obligation to

complete the transaction have been satisfied or waived by MoneyGram (other than those conditions that by their nature are to be satisfied at the closing; provided that such conditions are capable of being satisfied) and (c) MoneyGram is ready, willing and able to consummate the closing and (iii) Alipay and Merger Sub have failed to consummate the closing on or before the third business day after delivery of the notice referred to in clause (ii) above (or, if earlier, the business day immediately prior to the end date) and MoneyGram stood ready, willing and able to consummate the closing throughout such period (MoneyGram s right to terminate the merger agreement pursuant to this sub-bullet is referred to as the failure to close termination right); or

prior to obtaining the MoneyGram Stockholder Approval, (i) our board of directors authorizes MoneyGram, subject to complying with the terms of the merger agreement, to enter into a binding definitive agreement to effect a transaction constituting a Company superior proposal, (ii) prior to or concurrently with such termination of the merger agreement pays to Alipay in immediately available funds the $30 million termination fee described below in The Merger Agreement

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Termination Fees and Expenses and (iii) MoneyGram enters into such binding definitive agreement substantially concurrently with such termination (MoneyGram s right to terminate the merger agreement pursuant to this sub-bullet is referred to as the superior proposal termination right).

Prior to the time MoneyGram Stockholder Approval is obtained, our board of directors may terminate the merger agreement in order to enter into a binding definitive agreement to effect a transaction constituting a Company superior proposal (and make a change of recommendation with respect thereto), if and only if:

MoneyGram receives a Company acquisition proposal that did not result from a breach of the no solicitation provisions and our board of directors determines in good faith (after consultation with MoneyGram s outside legal and financial advisors) that such Company acquisition proposal constitutes a Company superior proposal;

MoneyGram provides Alipay prior written notice of MoneyGram s intention to terminate the merger agreement, which notice must identify the person making such Company superior proposal and include the material terms and conditions of such Company superior proposal, including copies of any written proposals or offers and any proposed agreements related thereto;

for at least four business days after Alipay s receipt of such notice referred to in the bullet immediately above, MoneyGram has negotiated, and has caused its financial and legal advisors (and other representatives) to negotiate, with Alipay in good faith (to the extent Alipay desires to negotiate) to make such adjustments in the terms and conditions of the merger agreement so that such Company acquisition proposal ceases to constitute a Company superior proposal (provided that any revision to the financial terms or any other material term of such Company superior proposal will require a new notice referred to in the bullet immediately above and MoneyGram will be required to comply again with the provisions of this bullet with respect to such new notice, except that such time period referred to in this bullet will be two business days (rather than four business days)); and

at the end of the period (or periods) referred to in the bullet immediately above, our board of directors has concluded in good faith (after consultation with MoneyGram s outside legal and financial advisors) that such Company acquisition proposal still constitutes a Company superior proposal after giving effect to all of the adjustments which may be offered by Alipay pursuant to the bullet immediately above and that a failure to terminate the merger agreement in order to enter into a definitive agreement with respect to such Company superior proposal would be inconsistent with its fiduciary duties under applicable law.

Termination Fees and Expenses

MoneyGram Termination Fee

MoneyGram is required to pay Alipay a termination fee of $30 million if the merger agreement is terminated as follows:

if the merger agreement is terminated by (i) Alipay pursuant to Alipay s change of recommendation termination right or (ii) MoneyGram pursuant to Company s superior proposal termination right;

if the merger agreement is terminated:

(i) by either Alipay or MoneyGram pursuant to the end date termination right or by Alipay pursuant to the material breach termination right or (ii) by either Alipay or MoneyGram pursuant to the failure to obtain stockholder approval termination right; and

in the case of clause (i) in the immediately preceding bullet, a Company acquisition proposal, whether or not conditional, has been publicly announced or otherwise communicated to our board of directors at any time after the date of the merger agreement and prior to the termination of the merger agreement or, in the case of clause (ii) in the immediately preceding bullet, a Company

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acquisition proposal, whether or not conditional, has been publicly announced and not withdrawn prior to a meeting of MoneyGram s stockholders; and

within 12 months of such termination MoneyGram or any of its subsidiaries enters into an agreement with respect to (or consummates) any Company acquisition proposal, whether or not with a person that made a Company acquisition proposal prior to the date of such termination (provided that the term Company acquisition proposal will have the meaning assigned to such term, except that all percentages in the term Company acquisition proposal will be changed to 50% for purposes of this and the immediately preceding sub-bullet).

However, the $30 million termination will not be payable to Alipay if (i) the $60 million termination fee is payable by Alipay to MoneyGram pursuant to the second bullet in the next paragraph or (ii) the $17.5 million termination fee is payable by Alipay to MoneyGram pursuant to the second bullet in the paragraph following the next paragraph (unless, with respect to this clause (ii), the agreement with respect to the Company acquisition proposal (or the consummated transaction) referenced in the immediately preceding bullet is with a person that made a Company acquisition proposal following the date of the merger agreement and prior to the date of the termination of the merger agreement).

Alipay Termination Fee and Alipay Regulatory Termination Fee

Alipay is required to pay MoneyGram a termination fee of $60 million if the merger agreement is terminated as follows:

by MoneyGram pursuant to its failure to close termination right; or

(a) by MoneyGram pursuant to material breach termination right or (b) by Alipay pursuant to its injunction termination right as a result of a final non-appealable order issued by the President of the United States pursuant to the Defense Production Act prohibiting the consummation of the transactions contemplated by the merger agreement, in each case of (a) and (b), which resulted or was caused by Alipay s or Merger Sub s willful and material breach of its covenants and agreements for which MoneyGram was not able to obtain or enforce specific performance or an injunction as a remedy for such willful and material breach or such remedy was not available.

Alipay is required to pay MoneyGram a termination fee of $17.5 million if merger agreement is terminated as follows:

by Alipay or MoneyGram pursuant to its injunction termination right as a result of a final non-appealable order issued by the President of the U.S. pursuant to the Defense Production Act prohibiting the consummation of the transactions contemplated by the merger agreement; provided that at the time of such termination, MoneyGram s failure to perform or observe its covenants and agreements was not the primary cause of the order;

by Alipay or MoneyGram pursuant to its end date termination right, if at the time of such termination all of the conditions to Alipay s obligation to complete the transaction have been satisfied or waived by Alipay other than the following conditions (and MoneyGram s failure to perform or observe its covenants and

agreements in the merger agreement was not the primary cause of the failure of any such conditions):

the condition that CFIUS Approval has been obtained;

the condition that there is no injunction or order issued by any governmental entity of competent jurisdiction preventing the consummation of the merger (as a result of a final non-appealable order issued by the President of the United States pursuant to the Defense Production Act prohibiting the consummation of the transactions contemplated by the merger agreement); or

the condition that CFIUS Approval has been obtained without the imposition of a burdensome condition

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Additionally, the Guarantor absolutely, unconditionally and irrevocably guarantees the due, punctual and full payment and performance of Alipay s and Merger Sub s obligations to pay the Alipay termination fees (including any expense and interest payments), if and when owed.

Expenses

Except as otherwise provided in the merger agreement, all costs and expenses incurred in connection with the merger agreement, the merger and the other transactions contemplated thereby will be paid by the party incurring such expense whether or not the merger is consummated.

Payment Guarantee

Concurrently with the execution of the merger agreement, Alipay provided to MoneyGram an irrevocable payment guarantee issued by the payment guarantee issuer for the benefit of MoneyGram, pursuant to which the payment guarantee issuer shall pay MoneyGram up to $45 million in the event the payment guarantee issuer receives (a) a demand from MoneyGram stating the amount being claimed and certifying that either the $60 million termination fee, and any related interest and expenses, or the $17.5 million termination fee, and any related interest and expenses is due and payable to MoneyGram under the merger agreement (as described in Summary The Merger Agreement Termination Fees and Expenses) and that Alipay has failed to effect payment of the $60 million termination fee or the $17.5 million termination fee (or any related fees or expenses) due under the merger agreement and (b) the original payment guarantee.

The payment guarantee is valid until the earliest to occur of (i) receipt by the payment guarantee issuer of MoneyGram s written notification stating that the $60 million termination fee or the $17.5 million termination fee, together with any related interest or expenses, as applicable, due under the merger agreement has been paid in full, (ii) receipt by the payment guarantee issuer of MoneyGram s written notification that the closing of the transactions contemplated by the merger agreement has occurred or (iii) April 26, 2018.

Other Remedies

In the event of termination of the merger agreement by either Alipay or MoneyGram as provided the merger agreement as summarized above, the merger agreement will become void and have no effect, and none of Alipay, Merger Sub, Guarantor, MoneyGram, or any other person related to MoneyGram or to Alipay will have any liability of any nature whatsoever under the merger agreement, or in connection with the transactions contemplated by the merger agreement, except (i) with respect to certain obligations set forth in the merger agreement as well as the Confidentiality Agreement and the payment guarantee, which will survive any termination of the merger agreement and (ii) subject in every case to the limitations on liability and restrictions on rights of recovery set forth in the merger agreement, no party will be relieved or released from any liabilities or damages arising out of its willful and material breach of any provision of the merger agreement or fraud.

Alipay, Merger Sub and MoneyGram will be entitled to injunctive or other equitable relief to prevent breaches of the merger agreement and to enforce specifically the terms and provisions of the merger agreement in any court identified in the merger agreement, this being in addition to any other remedy to which they are entitled at law or in equity. Each of the parties to the merger agreement will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity.

Notwithstanding the foregoing, MoneyGram will only have the right to obtain an injunction, specific performance or other equitable remedies in connection with enforcing Alipay s and Merger Sub s obligation to effect the closing or consummate the merger (and Guarantor s obligation to contribute to or otherwise make

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available to Alipay and/or Merger Sub the proceeds of the debt financing) in accordance with the terms of the merger agreement if and only if:

all the conditions to Alipay s obligation to complete the transaction have been satisfied (other than those conditions that, by their nature, are to be satisfied at the closing (but subject to the satisfaction of such conditions at the closing)) at the time when the closing is required to occur pursuant to the merger agreement;

the debt financing has been funded or will be funded at the closing on the terms set forth in the debt commitment letter; and

MoneyGram has confirmed in a written notice to Alipay that if an injunction, specific performance or other equitable remedy is granted, then MoneyGram will take such actions required of it to effect the closing and consummate the merger.

Amendment, Extension and Waiver

Subject to compliance with applicable law, the merger agreement may be amended by the parties at any time before or after approval of the matters presented in connection with the merger by the stockholders of MoneyGram; provided, however, that after any such approval, no amendment will be made which by law requires further approval by such stockholders without such further approval.

At any time prior to the effective time of the merger, the parties may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other parties to the merger agreement, (b) waive any inaccuracies in the representations and warranties contained in the merger agreement or in any document delivered pursuant to the merger agreement and (c) waive compliance with any of the agreements or conditions contained in the merger agreement.

Governing Law

The merger agreement will be governed by, and construed in accordance with, the laws of the State of Delaware (without giving effect to choice of law principles thereof).

Guaranty

Guarantor will contribute to or otherwise make available to Alipay and/or Merger Sub the proceeds of the debt financing necessary to pay the aggregate merger consideration and all other cash amounts required to be paid by Alipay in accordance with the merger agreement. In addition, Guarantor absolutely, unconditionally and irrevocably guarantees the due, punctual and full payment and performance of Alipay s and Merger Sub s (including its permitted assigns) obligations to pay the $60 million termination fee or the $17.5 million termination fee (each as described above under The Merger Agreement Termination Fees and Expenses) (and, if applicable, any expense and interest payments), if and when owed.

Guarantor will, promptly upon the request of MoneyGram, reimburse, indemnify and hold harmless MoneyGram and its subsidiaries and their respective representatives from and against any and all losses, damages, claims and

reasonable out-of-pocket costs or expenses suffered or incurred by any of them in connection with the debt financing and any information utilized in connection therewith (other than information provided by MoneyGram or any of its subsidiaries).

Guarantor will use its reasonable best efforts to obtain, or cause to be obtained, the proceeds of the debt financing on the terms and conditions described in the debt commitment letter, including using its reasonable best efforts with respect to:

maintaining in effect the debt commitment letter (except to the extent replaced by binding commitments for a term loan facility (as set forth in the debt commitment letter));

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negotiating definitive agreements with respect to the debt financing consistent with the terms and conditions contained in the debt financing or, if available, on other terms that are acceptable to Guarantor in its sole discretion (subject to the restriction on amendments summarized below) and would not adversely affect the ability of Alipay to consummate the transactions contemplated by the merger agreement; and

satisfying on a timely basis all conditions applicable to Guarantor and its subsidiaries to obtaining the debt financing that are within Guarantor s control.

Guarantor will not, without the prior written consent of MoneyGram, (i) terminate the debt commitment letter (unless the debt commitment letter is replaced in a manner consistent with the following clause (ii) in order to obtain binding commitments with respect to the term loan facility) or (ii) permit any amendment or modification to, or any waiver of any material provision or remedy under, or replace, the debt commitment letter if such amendment, modification, waiver, or replacement:

would add any new material conditions to the debt financing (or modify any existing condition in a manner adverse to Guarantor);

would reduce the aggregate amount of the debt financing;

could reasonably be expected to prevent, impede or materially delay the consummation of the merger and the other transactions contemplated by the merger agreement; or

could reasonably be expected to adversely impact the ability of Guarantor to enforce its rights against the lenders or any other parties to the debt commitment letter or the definitive agreements with respect thereto.

Notwithstanding the forgoing, Guarantor may amend the debt commitment letter to add lenders, arrangers, bookrunners, syndication agents or similar entities who had not executed the debt commitment letter as of the date of the merger agreement and provide such lenders, arrangers, bookrunners, syndication agents or similar entities with consent rights with respect to existing conditions to the consummation of the debt financing.

In the event that any portion of the aggregate amount of the debt financing becomes unavailable (other than as a result of voluntary termination, which are governed by the two paragraphs immediately above) Guarantor will:

promptly notify MoneyGram of such unavailability and, to the knowledge of Guarantor, the reason therefor; and

use its reasonable best efforts to obtain, as promptly as practicable following the occurrence of such event, alternative financing (in an amount sufficient to enable the transactions contemplated by the merger agreement to be consummated) from the same or other sources.

In the event that all conditions to Alipay s obligation to close the transactions contemplated by the merger agreement have been satisfied or waived (other than those conditions that by their terms are to be satisfied at the closing, but

subject to the satisfaction of such conditions) and all of the conditions set forth in the debt commitment letter are satisfied or waived, on the closing date of the merger (as determined in accordance with the merger agreement), Guarantor will cause the lenders to fund the debt financing, to the extent the proceeds thereof are required to consummate the merger and the other transactions contemplated by the merger agreement, and will enforce its rights under the debt commitment letter.

Guarantor will keep MoneyGram reasonably informed on a current and timely basis of the status of Guarantor s efforts to obtain the debt financing.

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THE VOTING AND SUPPORT AGREEMENTS

The following describes the material provisions of the voting and support agreements. A copy of the voting and support agreement with THL is attached hereto on Annex B and a copy of the form of other voting and support agreement is attached hereto as Annex C. The summary of the material provisions of the voting and support agreements below and elsewhere in this proxy statement are qualified in their entirety by reference to the voting and support agreements. This summary does not purport to be complete and may not contain all of the information about the voting and support agreements that is important to you. We encourage you to read carefully the voting and support agreements in their entirety.

THL Voting Agreement

Concurrently with the execution of the merger agreement, Thomas H. Lee Equity Fund VI, L.P., Thomas H. Lee Parallel Fund VI, L.P., Thomas H. Lee Parallel (DT) Fund VI, L.P., THL Equity Fund VI Investors (MoneyGram), LLC, THL Coinvestment Partners, L.P., THL Operating Partners, L.P., THL Managers VI, LLC, Putnam Investments Employees Securities Company III LLC and Great-West Investors, L.P., referred to collectively as THL, Alipay and MoneyGram entered into a voting and support agreement, referred to as the THL voting agreement, with respect to all shares of Common Stock that THL owns, beneficially (as defined in Rule 13d-3 under the Exchange Act) or of record as of the date hereof, and any additional shares of Common Stock that THL may acquire beneficial (as defined in Rule 13d-3 under the Exchange Act) or record ownership of after the date hereof, referred to as the covered shares.

As of the date of merger agreement, THL was the beneficial or legal owners of record, and have either sole or shared voting power over, 23,737,858 shares of Common Stock, which was approximately 44.0% of the outstanding Common Stock as of the date of the merger agreement.

Agreement to Vote the Covered Shares

For purposes of the THL voting agreement, expiration time means the earliest to occur of (a) the effective time of the merger, (b) such date and time as the merger agreement shall be validly terminated pursuant to the termination provisions of the merger agreement or (c) the date of any amendment, modification, change or waiver of any provision of the merger agreement that reduces the amount or changes the form of the merger consideration (other than adjustments in accordance with the terms of the merger agreement).

Prior to the expiration time, at every meeting of MoneyGram s stockholders at which any of the following matters are to be voted on (and at every adjournment or postponement thereof), and on any action or approval of MoneyGram s stockholders by written consent with respect to any of the following matters, THL shall vote (including via proxy) the covered shares (or cause the holder of record on any applicable record date to vote (including via proxy) the covered shares):

in favor of the approval and adoption of the merger agreement; and

against (a) any Company acquisition proposal, or any other proposal made in opposition to, in competition with, or inconsistent with the merger agreement, the merger or the transactions contemplated by the merger agreement and (b) any other action, agreement or proposal which could reasonably be expected to delay, postpone or adversely affect consummation of the merger and the other transactions contemplated by the

merger agreement.

Notwithstanding the foregoing, if our board of directors makes a change of recommendation (other than in connection with a Company acquisition proposal) in accordance with the terms of the merger agreement and if the aggregate number of shares of Common Stock subject to the THL voting agreement and the voting and support agreements between Alipay and other stockholders of MoneyGram, as described below, referred to as the management voting agreements, exceeds 35% of the total number of outstanding shares of Common Stock as

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of the record date for any meeting at which any matters set forth above are to be voted on, referred to as the covered shares cap, then the obligation of THL to vote the covered shares in accordance with the above obligations will be modified such that THL, together with the other stockholders of MoneyGram that are parties to the management voting agreements, will only be required to collectively vote an aggregate number of shares of Common Stock equal to the covered shares cap and the number of shares of Common Stock subject to the THL voting agreement (and the number of shares of Common Stock subject to the corresponding obligations in each management voting agreement) will be reduced, on a pro rata basis, to the extent required to limit the aggregate number of shares of Common Stock subject to such obligations to the covered shares cap. THL, in its discretion, will be entitled to vote all of its shares of Common Stock which are no longer subject to such obligations in any manner they choose.

Transfer Restrictions

Until the expiration time, THL will not transfer (as defined below) or cause or permit the transfer of any covered shares, other than with the prior written consent of Alipay (to be granted or withheld in Alipay s sole discretion).

For purposes of the voting and support agreements, transfer means (a) any direct or indirect offer, sale, assignment, encumbrance, pledge, hypothecation, disposition, loan or other transfer (by operation of law or otherwise), either voluntary or involuntary, or entry into any option or other contract, arrangement or understanding with respect to any offer, sale, assignment, encumbrance, pledge, hypothecation, disposition, loan or other transfer (by operation of law or otherwise), of any covered shares or any interest in any covered shares; (b) the deposit of such covered shares into a voting trust, the entry into a voting agreement or arrangement with respect to such covered shares or the grant of any proxy or power of attorney with respect to such covered shares; (c) entry into any hedge, swap or other transaction or contract which is designed to (or is reasonably expected to lead to or result in) a transfer of the economic consequences of ownership of any covered shares, whether any such transaction is to be settled by delivery of covered shares, in cash or otherwise; or (d) any contract or commitment (whether or not in writing) to take any of the actions referred to in the foregoing clauses above.

Waiver of Appraisal Rights

Solely with respect to the merger agreement and the transactions contemplated thereby, THL waives all appraisal rights under Section 262 of the DGCL with respect to all covered shares owned (beneficially or of record) by THL.

Litigation

THL will not, and will direct their respective representatives not to, bring, commence, institute, maintain, voluntarily aid or prosecute any claim, appeal, or proceeding which (a) challenges the validity of or seeks to enjoin the operation of any provision of the THL voting agreement or (b) alleges that the execution and delivery of the THL voting agreement by THL breaches any fiduciary duty of our board of directors (or any member thereof) or any duty that THL has (or may be alleged to have) to MoneyGram or to the other holders of the Common Stock.

No Solicitation

Until the expiration time, THL will not, and will direct their respective representatives not to, directly or indirectly, take any of the actions described in the first four bullets set forth in the section entitled Summary The Merger Agreement No Solicitation. THL will, and will use reasonable best efforts to cause their respective representatives to, immediately cease and cause to be terminated any activities, discussions or negotiations conducted before the date of the THL voting agreement with any persons other than Alipay with respect to any Company acquisition proposal. In addition, THL agrees to be subject to the obligations described

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in the third full paragraph in the section Summary The Merger Agreement No Solicitation as if it were MoneyGram thereunder (including with respect to the obligations to notify Alipay orally and in writing promptly (but in any event within two days) after receipt of any Company acquisition proposal (or any change to the financial or other material terms and conditions of any Company acquisition proposal) and to otherwise keep Alipay reasonably informed on a current basis of the status of any such Company acquisition proposal (including by providing copies of all proposals, offers and drafts of proposed agreements related thereto)).

However, solely to the extent MoneyGram is permitted, pursuant to the merger agreement, to have discussions or negotiations with a person making a Company acquisition proposal, THL and its respective representatives shall be permitted to participate in such discussions or negotiations with such person making such Company acquisition proposal, subject to compliance by THL with the immediately preceding sentence.

Fiduciary Duties

Nothing in the THL voting agreement restricts or affects any action or inaction of THL designees serving on our board of directors, acting in such person s capacity as a director of MoneyGram, including complying, subject to the provisions of the merger agreement, with his or her fiduciary obligations as a director of MoneyGram. No action or inaction taken or failed to be taken in such capacity as a director shall be deemed to constitute a breach of the THL voting agreement. THL entered into the THL voting agreement solely in its capacity as the record holder or beneficial owner of the covered shares.

Termination

The THL voting agreement shall automatically terminate without further action by any of the parties and shall have no further force or effect as of the expiration time.

Management Voting Agreements

Concurrently with the execution of the merger agreement, Pamela H. Patsley, W. Alexander Holmes, F. Aaron Henry, Peter Ohser and Steven Piano, referred to as the management stockholders, each entered into voting and support agreements with Alipay and MoneyGram with respect to all the covered shares owned beneficially or of record by such management stockholder. As of the date of the merger agreement, the management stockholders were the beneficial or legal owners of record, and have either sole or shared voting power over, over 498,610 shares of Common Stock, which was approximately .92% of the outstanding Common Stock as of the date of the merger agreement.

Such management voting agreements have terms that are substantially similar to the terms of the THL voting agreement (including with respect to voting the covered shares, waiver of appraisal rights, not participating in certain claims or proceedings, fiduciary duties and termination provisions); however, the management voting agreements do not contain the provisions described in the No Solicitation section set forth above and the transfer restrictions contain exceptions to permit certain transfers (including to an immediate family members or for the purpose of estate-planning) subject to the transferee agreeing in writing to be bound by the terms of such management voting agreement and permit certain sales or net settlement of shares to cover certain tax withholding obligations. In addition, the management voting agreements do not restrict or affect any action or inaction of the management stockholder, acting in such person s capacity as an officer of MoneyGram.

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NON-BINDING PROPOSAL ON COMPENSATION RELATED TO THE MERGER

Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, requires that we provide our stockholders with the opportunity to vote on an advisory, non-binding proposal to approve compensation that will or may become payable to our named executive officers in connection with the merger, as disclosed in the section of this proxy statement entitled The Merger Interests of MoneyGram s Executive Officers and Directors in the Merger.

We are asking our stockholders to indicate their approval of the various change of control payments and other compensation which our named executive officers will or may be eligible to receive in connection with the merger. These payments are set forth in the table entitled Golden Parachute Compensation under the section of this proxy statement entitled The Merger Interests of MoneyGram s Executive Officers and Directors in the Merger and the accompanying footnotes. The various plans and arrangements pursuant to which these compensation payments may be made have previously formed part of MoneyGram s overall compensation program for our named executive officers, which has been disclosed to our stockholders as part of the Compensation Discussion and Analysis and related sections of our annual proxy statements.

Accordingly, we are seeking approval of the following resolution at the special meeting:

RESOLVED, that the stockholders of MoneyGram approve, on a nonbinding, advisory basis, the compensation that will or may become payable to MoneyGram s named executive officers that is based on or otherwise relates to the merger as disclosed pursuant to Item 402(t) of Regulation S-K in the section of this proxy statement entitled The Merger Interests of MoneyGram s Executive Officers and Directors in the Merger .

Approval of this proposal is not a condition to completion of the merger. Stockholders should note that this non-binding proposal regarding merger-related compensation is merely an advisory vote that will not be binding on MoneyGram or Alipay, their boards of directors or our compensation committee. Further, the underlying plans and arrangements are contractual in nature and not, by their terms, subject to stockholder approval. Accordingly, if the merger is consummated our named executive officers will be eligible to receive the compensation that is based on or otherwise relates to the merger in accordance with the terms or conditions applicable to such compensation, even if this proposal is not approved.

Approval of this proposal requires an affirmative vote of a majority of the shares of our Common Stock present in person or represented by proxy at the special meeting and entitled to vote, assuming a quorum is present. For this proposal, you may vote **FOR**, **AGAINST** or **ABSTAIN**. Abstentions will be counted as present for the purpose of determining whether a quorum is present at the special meeting, but will have the same effect as a vote against the approval of the non-binding proposal. The failure to instruct your bank, broker or other nominee how to vote your shares will not have any effect on this proposal.

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MARKET PRICE OF OUR COMMON STOCK

Our Common Stock is currently listed on the NASDAQ under the symbol MGI. This table shows, for the periods indicated the range of high and low sale prices for our Common Stock as quoted on the NASDAQ:

	Price per Share	
	Low	**High**
Fiscal Year Ended December 31, 2014		
First Quarter	$ 16.50	$ 20.58
Second Quarter	$ 12.45	$ 18.92
Third Quarter	$ 12.35	$ 15.34
Fourth Quarter	$ 7.57	$ 13.15
Fiscal Year ended December 31, 2015		
First Quarter	$ 7.55	$ 9.58
Second Quarter	$ 7.74	$ 11.00
Third Quarter	$ 7.75	$ 10.66
Fourth Quarter	$ 6.21	$ 10.92
Fiscal Year ending December 31, 2016		
First Quarter	$ 4.68	$ 7.09
Second Quarter	$ 5.64	$ 7.37
Third Quarter	$ 6.29	$ 8.33
Fourth Quarter	$ 5.83	$ 12.72
Fiscal Year ending December 31, 2017		
First Quarter	$ 11.26	$ 17.13
Second Quarter (through April 3, 2017)	$ 15.88	$ 16.90

On January 25, 2017, the last full trading day prior to the public announcement of the proposed merger, our Common Stock closed at $11.88. On April 3, 2017, the last practicable trading day prior to the date of this proxy statement, our Common Stock closed at $16.11. You are encouraged to obtain current market quotations for our Common Stock in connection with voting your shares of Common Stock.

Under the terms of the merger agreement, MoneyGram is prohibited from paying dividends on its Common Stock or repurchasing shares of its Common Stock during the pendency of the merger. MoneyGram has not paid any dividends on Common Stock during the periods indicated in the table provided above. Following the consummation of the merger, there will be no further market for our Common Stock.

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RECENT DEVELOPMENTS REGARDING THE EURONET PROPOSAL

On March 14, 2017, MoneyGram received the Euronet proposal. The Euronet proposal is subject to completion by Euronet of satisfactory due diligence, negotiation of a definitive written agreement and approval by its board of directors. Our board of directors has had preliminary discussions regarding the Euronet proposal, in consultation with our management and our legal and financial advisors. Our board of directors has determined that the Euronet proposal could reasonably be expected to lead to a Company superior proposal and is in the process of further evaluating the Euronet proposal. Our board of directors has not determined that the Euronet proposal is in fact a Company superior proposal. At this time, our board of directors continues to believe that the merger is in our best interests and those of our stockholders and has not changed its recommendation that our stockholders vote **FOR** the adoption and approval of the merger agreement. However, in the exercise of its fiduciary duties, our board of directors believes that a full assessment of the Euronet proposal should be conducted before making any final determination regarding the Euronet proposal. Upon concluding its evaluation of the Euronet proposal, should our board of directors determine that the Euronet proposal is not a Company superior proposal, it will take such steps as are necessary to allow stockholders sufficient time to make an informed decision regarding whether to approve and adopt the merger agreement in light of such new information. These steps may include, if appropriate, adjourning or postponing the special meeting. In considering whether to adjourn or postpone the special meeting and the duration of any such adjournment or postponement, our board of directors will consider all of the facts and circumstances surrounding the definitive proposal, including the timing, magnitude and complexity of the new information. Please see the section entitled The Special Meeting Revocability of Proxies beginning on page 29 of this proxy statement for a description of the methods by which you can change your vote or revoke your proxy before the special meeting. Our board of directors does not yet know when it will complete its evaluation of the Euronet proposal and there is no obligation under the merger agreement for any final determination to be made within a specified time period. There can be no assurances that our board of directors will determine that the Euronet proposal constitutes a Company superior proposal or, if it makes such a determination, that a transaction with Euronet will be consummated.

If the MoneyGram Stockholder Approval in obtained, the merger agreement would require (unless terminated in accordance with its terms) that we consummate the merger upon satisfaction or waiver of the other conditions to closing, even if an alternative proposal to acquire MoneyGram is made after the MoneyGram Stockholder Approval is obtained. After the MoneyGram Stockholder Approval is obtained, no further stockholder approval is required in order to consummate the merger.

As more fully described in The Merger Agreement Termination beginning on page 96 of this proxy statement, in response to the Euronet proposal, after following the procedures set forth in the merger agreement, our board of directors may terminate the merger agreement to enter into a definitive agreement with Euronet (and change its recommendation with respect thereto) if (among other things) it first determines in good faith (after consultation with MoneyGram s outside legal and financial advisors) that the Euronet proposal constitutes a Company superior proposal and that the failure to terminate the merger agreement in order to enter into a definitive agreement with respect to the Euronet proposal would be inconsistent with its fiduciary duties under applicable law (after giving effect to all of the adjustments to the terms of the merger agreement proposed by Alipay and after negotiating in good faith with Alipay for one or more periods of time prescribed by the Merger Agreement). Upon termination of the merger agreement by MoneyGram in the foregoing circumstances, MoneyGram would be required to pay a $30 million termination fee to Alipay. See The Merger Agreement Termination Fees and Expenses beginning on page 98 of this proxy statement.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Directors and Executive Officers

The following table sets forth information as of March 31, 2017 (except where otherwise noted therein) concerning beneficial ownership of our Common Stock by each director, MoneyGram s named executive officers and all of our directors and executive officers as a group. None of these individuals owns shares of MoneyGram s Series D Preferred Stock. Except as otherwise indicated, a person has sole voting and investment power with respect to the Common Stock beneficially owned by that person.

Name of Beneficial Owner	Shares of Common Stock Beneficially Owned(1)	Percent of Common Stock(2)
J. Coley Clark	55,628	*
Victor W. Dahir	50,628	*
Antonio O. Garza	44,518	*
Seth W. Lawry	23,737,858	44.0%
Pamela H. Patsley	1,546,869	2.9%
Michael P. Rafferty	25,750	*
Ganesh B. Rao(4)	23,737,858	44.0%
W. Bruce Turner	92,669	*
Peggy Vaughan	44,189	*
W. Alexander Holmes	294,754	*
Lawrence Angelilli	82,871	*
F. Aaron Henry	181,335	*
W. Alexander Hoffmann(3)	45,328	*
Steven Piano(3)	247,053	*
All directors and executive officers as a group (20 persons total)(4)(5)	26,725,097	49.5%

* Less than 1%

(1) Includes shares underlying options exercisable within 60 days of March 31, 2017, as follows: Ms. Patsley 1,067,198 shares; Mr. Holmes 136,111 shares; Mr. Angelilli 48,385; Mr. Henry 77,998 shares; Mr. Hoffmann 12,609 shares; and Mr. Piano 145,265 shares. All of such options have exercise prices greater than $13.25 except for a portion of the options held by Ms. Patsley.

(2) Applicable ownership percentage is based on 53,966,666 shares of Common Stock outstanding as of March 31, 2017.

(3) Mr. Hoffmann s employment with MoneyGram ended effective December 2, 2016 and Mr. Piano s employment with MoneyGram ended effective March 31, 2017.

(4) Mr. Lawry and Mr. Rao are board representatives of THL. The total shares listed as beneficially owned for each of them consist of the 23,737,858 shares of Common Stock held by funds affiliated with THL. Mr. Lawry and Mr. Rao each disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein. Please see footnote (3) to the Security Ownership of Certain Beneficial Owners table below for more information regarding such shares of Common Stock.

(5)

Includes: 1,535,054 shares underlying options exercisable within 60 days of March 31, 2017 and approximately 1,939 shares held in the 401(k) plan or an IRA or trust, for which participants have shared voting power and sole investment power, as of March 31, 2017. All of such options have exercise prices greater than $13.25 except for a portion of the options held by Ms. Patsley.

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Security Ownership of Certain Beneficial Owners

The following table sets forth information concerning beneficial ownership of our Common Stock and Series D Preferred Stock by those persons known by us to be the beneficial owners of more than five percent (5%) of any class of our equity securities as of March 31, 2017. Except as otherwise indicated, a person has sole voting and investment power with respect to the securities shown.

Name and Address of Beneficial Owner	Shares of Common Stock Beneficially Owned	Percent of Common Stock(1)	Shares of Series D Preferred Stock Beneficially Owned	Percent of Series D Preferred Stock	Percent Common Stock (including Series D Preferred Stock on an as-converted basis)(2)
Funds affiliated with Thomas H. Lee Partners, L.P.(3)	23,737,858	44.0%			37.8%
The Goldman Sachs Group, Inc.(4)	39,899	*	71,281.9038	100%	14.2%

* Less than 1 percent

(1) Applicable percentage ownership is based on 53,966,666 shares of Common Stock outstanding as of March 31, 2017 for all stockholders.

(2) Applicable percentage ownership is based on 62,876,900 shares of Common Stock outstanding as of March 31, 2017 after giving effect to the conversion of the 71,281.9038 outstanding shares of D Stock into 8,910,234 shares of Common Stock.

(3) Certain of the information is based on information provided by the beneficial owners in the Schedule 13D/A filed with the SEC on January 30, 2017. As of March 31, 2017, shares shown as beneficially owned by investment funds affiliated with Thomas H. Lee Partners, L.P. reflect an aggregate of the following record ownership: (i) 13,056,740 shares held by Thomas H. Lee Equity Fund VI, L.P.; (ii) 8,841,330 shares held by Thomas H. Lee Parallel Fund VI, L.P.; (iii) 1,544,404 shares held by Thomas H. Lee Parallel (DT) Fund VI, L.P.; (iv) 48,881 shares held by THL Equity Fund VI Investors (MoneyGram), LLC; (v) 45,950 shares held by THL Operating Partners, L.P.; (vi) 37,296 shares held by THL Coinvestment Partners, L.P.; (vii) 30,006 shares held by THL Managers VI, LLC (together with Thomas H. Lee Equity Fund VI, L.P., Thomas H. Lee Parallel Fund VI, L.P., Thomas H. Lee Parallel (DT) Fund VI, L.P., THL Equity Fund VI Investors (MoneyGram), LLC, THL Operating Partners, L.P. and THL Coinvestment Partners, L.P., the THL Funds); (viii) 66,613 shares held by Putnam Investments Employees Securities Company III LLC (the Putnam Fund); and (ix) 66,638 shares held by Great-West Investors, L.P. (the Great-West Fund). THL Holdco, LLC is the managing member of Thomas H. Lee Advisors, LLC, which is the general partner of Thomas H. Lee Partners, L.P., which is the sole member of THL Equity Advisors VI, LLC, which is the general partner of Thomas H. Lee Equity Fund VI, L.P., Thomas H. Lee Parallel Fund VI, L.P. and Thomas H. Lee Parallel (DT) Fund VI, L.P. and the manager of THL Equity Fund VI Investors (MoneyGram), LLC. Thomas H. Lee Partners, L.P. is the general partner of THL Operating Partners, L.P. and THL Coinvestment Partners, L.P. Thomas H. Lee Partners, L.P. is the managing member of THL Managers VI, LLC. The Putnam Fund and the Great-West Fund are co-investment entities of the THL

Funds, and are contractually obligated to co-invest (and dispose of securities) alongside certain of the THL Funds on a pro rata basis. Voting and investment determinations with respect to the shares held by the THL Funds are made by the private equity management committee of THL Holdco, LLC (the THL Committee) consisting of Todd M. Abbrecht, Anthony J. DiNovi, Thomas M. Hagerty, Soren L. Oberg, Scott M. Sperling and Kent R. Weldon, and as such, each member of the THL Committee may be deemed to share beneficial ownership of the shares held or controlled by the THL Funds. Seth W. Lawry, as an advisory partner of THL and a MoneyGram board representative of the THL Funds, and Ganesh B. Rao, as a managing director of THL and a Board Representative of the THL Funds, may also be deemed to share beneficial ownership of the securities held or controlled by the THL Funds. Each member of the THL Committee, Mr. Lawry and Mr. Rao disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein. Putnam Investment Holdings, LLC (Holdings) is the managing member of the Putnam Fund.

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Holdings disclaims any beneficial ownership of any shares held by the Putnam Fund. Putnam Investments LLC, the managing member of Holdings, disclaims beneficial ownership of any shares held by the Putnam Fund. In addition to the stock owned directly and of record by the Great-West Fund, the Great-West Fund may be deemed to share dispositive and voting power over, and thus beneficially own, an additional 66,613 shares of our Common Stock. The Great-West Fund disclaims beneficial ownership of such shares. The address of each of the THL Funds, each member of the THL Committee and Mr. Rao is c/o Thomas H. Lee Partners, L.P., 100 Federal Street, 35th Floor, Boston, Massachusetts 02110. The address of the Putnam Fund is c/o Putnam Investment, Inc., 1 Post Office Square, Boston, Massachusetts 02109. The address of the Great-West Fund is 8515 East Orchard Road, Greenwood Village, Colorado 80111.

(4) Certain of the information is based on information provided by the beneficial owners in the Schedule 13D/A filed with the SEC on April 4, 2014. Beneficial ownership of The Goldman Sachs Group, Inc. encompasses the following: The Goldman Sachs Group, Inc. (GS Group), Goldman, Sachs & Co., GSCP VI Advisors, L.L.C. (GSCP Advisors), GSCP VI Offshore Advisors, L.L.C. (GSCP Offshore Advisors), GS Advisors VI, L.L.C. (GS Advisors), Goldman, Sachs Management GP GmbH (GS GmbH), GS Capital Partners VI Fund, L.P. (GS Capital), GS Capital Partners VI Offshore Fund, L.P. (GS Offshore), GS Capital Partners VI GmbH & Co. KG (GS Germany), GS Capital Partners VI Parallel, L.P. (GS Parallel), GS Mezzanine Partners V Onshore Fund, L.L.C. (GS Mezzanine Onshore GP), GS Mezzanine Partners V Institutional Fund, L.L.C. (GS Mezzanine Institutional GP), GS Mezzanine Partners V Offshore Fund, L.L.C. (GS Mezzanine Offshore GP), GS Mezzanine Partners V Onshore Fund, L.P. (GS Mezzanine Onshore), GS Mezzanine Partners V Institutional Fund, L.P. (GS Mezzanine Institutional), GS Mezzanine Partners V Offshore Fund, L.P. (GS Mezzanine Offshore), GSMP V Onshore US, Ltd. (GSMP Onshore), GSMP V Institutional US, Ltd. (GSMP Institutional), GSMP V Offshore US, Ltd. (GSMP Offshore), and Broad Street Principal Investments, L.L.C. (Broad Street and, together with the foregoing entities, the Goldman Entities).

GS Group is a Delaware corporation and bank holding company that (directly and indirectly through subsidiaries or affiliated companies or both) is a leading global investment banking securities and investment management firm. Goldman, Sachs & Co., a New York limited partnership, is an investment banking firm and a member of the New York Stock Exchange and other national exchanges. Goldman, Sachs & Co. also serves as the manager for GSCP Advisors, GSCP Offshore Advisors, GS Advisors, GS Mezzanine Onshore GP, GS Mezzanine Institutional GP and GS Mezzanine Offshore GP and the investment manager for GS Capital, GS Offshore, GS Germany and GS Parallel. Goldman, Sachs & Co. and Broad Street, a Delaware limited liability company, are wholly owned, directly and indirectly, by GS Group. GSCP Advisors, a Delaware limited liability company, is the sole general partner of GS Capital. GSCP Offshore Advisors, a Delaware limited liability company, is the sole general partner of GS Offshore. GS Advisors, a Delaware limited liability company, is the sole general partner of GS Parallel and the managing limited partner of GS Germany. GS GmbH, a German company with limited liability, is the sole general partner of GS Germany. Each of GS Capital, a Delaware limited partnership, GS Offshore, a Cayman Islands exempted limited partnership, GS Germany, a German limited partnership, and GS Parallel, a Delaware limited partnership, was formed for the purpose of investing in equity, equity-related and similar securities or instruments, including debt or other securities or instruments with equity-like returns or an equity component. GS Mezzanine Onshore GP, a Delaware limited liability company, is the sole general partner of GS Mezzanine Onshore. GS Mezzanine Institutional GP, a Delaware limited liability company, is the sole general partner of GS Mezzanine Institutional. GS Mezzanine Offshore GP, a Delaware limited liability company, is the sole general partner of GS Mezzanine Offshore. GS Mezzanine Onshore, a Delaware limited partnership, is the sole shareholder of GSMP Onshore. GS Mezzanine Institutional, a Delaware limited partnership, is the sole shareholder of GSMP Institutional. GS Mezzanine Offshore, a Delaware limited partnership, is the sole shareholder of GSMP Offshore. Each of GSMP Onshore, GSMP Institutional, and GSMP Offshore, an exempted company incorporated in the Cayman Islands with limited liability, was formed for the purpose of investing in fixed income securities, equity and equity-related securities primarily acquired or issued in leveraged acquisitions, reorganizations and other private equity transactions and in other financial instruments.

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As of March 31, 2017, GS Group has shared voting and dispositive power over 8,950,133 shares of our Common Stock upon conversion of our D Stock; Goldman, Sachs & Co. has shared voting and dispositive power over 8,940,221 shares of our Common Stock upon conversion of our D Stock; GSCP Advisors has shared voting and dispositive power over 3,235,793 shares of our Common Stock issuable upon conversion of our D Stock; GSCP Offshore Advisors has shared voting and dispositive power over 2,691,419 shares of our Common Stock issuable upon conversion of our D Stock; GS Advisors has shared voting and dispositive power over 1,004,787 shares of our Common Stock issuable upon conversion of our D Stock; GS GmbH has shared voting and dispositive power over 115,000 shares of our Common Stock issuable upon conversion of our D Stock; GS Capital has shared voting and dispositive power over 3,235,793 shares of our Common Stock issuable upon conversion of our D Stock; GS Offshore has shared voting and dispositive power over 2,691,419 shares of our Common Stock issuable upon conversion of our D Stock; GS Germany has shared voting and dispositive power over 115,000 shares of our Common Stock issuable upon conversion of our D Stock; GS Parallel has shared voting and dispositive power over 889,787 shares of our Common Stock issuable upon conversion of our D Stock; GS Mezzanine Offshore GP has shared voting power and dispositive power over 641,156 shares of our Common Stock issuable upon conversion of our D Stock; GS Mezzanine Institutional GP has shared voting and dispositive power over 44,710 shares of our Common Stock issuable upon conversion of our D Stock; GS Mezzanine Onshore GP has shared voting and dispositive power over 423,740 shares of our Common Stock issuable upon conversion of our D Stock; GS Mezzanine Offshore has shared voting and dispositive power over 641,156 shares of our Common Stock issuable upon conversion of our D Stock; GS Mezzanine Institutional has shared voting and dispositive power over 44,710 shares of our Common Stock issuable upon conversion of our D Stock; GS Mezzanine Onshore has shared voting and dispositive power over 423,740 shares of our Common Stock issuable upon conversion of our D Stock; GSMP Offshore has shared voting and dispositive power over 641,156 shares of our Common Stock issuable upon conversion of our D Stock; GSMP Institutional has shared voting and dispositive power over 44,710 shares of our Common Stock issuable upon conversion of our D Stock; GSMP Onshore has shared voting and dispositive power over 423,740 shares of our Common Stock issuable upon conversion of our D Stock; and Broad Street has shared voting and dispositive power over 623,394 shares of our Common Stock issuable upon conversion of our D Stock.

The Goldman Entities disclaim beneficial ownership of such shares beneficially owned by (i) any client accounts with respect to which the Goldman Entities or their employees have voting or investment discretion, or both, and (ii) certain investment entities of which the Goldman Entities act as the general partner, managing general partner or other manager, to the extent interests in such entities are held by persons other than the Goldman Entities. Additionally, Goldman, Sachs & Co. or another broker dealer subsidiary of GS Group may, from time to time, hold shares of Common Stock acquired in ordinary course trading activities. The address of the Goldman Sachs Group, Inc. is 200 West Street, New York, New York 10282.

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STOCKHOLDER PROPOSALS

The deadline for a stockholder proposal, including a director nomination, to have been considered for inclusion in our proxy statement for the 2017 annual meeting of stockholders has passed, unless the date for the 2017 annual meeting of the stockholders is changed, as described below, from the date of the 2016 annual meeting of the stockholders (held on May 11, 2016). If the date of the 2017 annual meeting of stockholders is changed by more than 30 days from the date of the last annual meeting, a proposal made in accordance with Rule 14a-8 under the Exchange Act must be received no later than a reasonable time before MoneyGram beings to print and send its annual proxy materials. In addition, all such proposals will need to comply with Rule 14a-8 under the Exchange Act, which lists the requirements for the inclusion of stockholder proposals in company-sponsored annual proxy materials and must be received at our principal executive offices at 2828 North Harwood Street, 15th Floor, Dallas, Texas 75201, Attention: Corporate Secretary.

In order for a stockholder proposal that is made in accordance with our bylaws (and not pursuant to Rule 14a-8 under the Exchange Act) and is not included in our proxy statement to be properly brought before the 2017 annual meeting of stockholders, a stockholder s notice of the matter the stockholder wishes to present must comply with the requirements set forth in our bylaws, and specifically, must be delivered to our principal executive offices at 2828 North Harwood Street, 15th Floor, Dallas, Texas 75201, Attention: Corporate Secretary, not less than 90 nor more than 120 days prior to the first anniversary of the date of our 2016 annual meeting of stockholders, unless the date of the 2017 annual meeting of stockholders is advanced by more than 30 days or delayed by more than 60 days from the first anniversary of the date of our 2016 annual meeting. As a result, any notice given by or on behalf of a stockholder pursuant to these provisions of our bylaws (and not pursuant to the SEC s Rule 14a-8) must have been received no earlier than January 11, 2017, and must have been received no later than February 10, 2017, unless the date of the 2017 annual meeting of stockholders is advanced by more than 30 days or delayed by more than 60 days from the first anniversary of the date of our 2016 annual meeting, in which case, any such notice must be received no later than the 10th day following the day on which public announcement of the date of such meeting is first made by us. We have not yet fixed a date for our 2017 annual meeting.

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OTHER MATTERS

As of the date of this proxy statement, our board of directors knows of no matters that will be presented for consideration at the special meeting other than as described in this proxy statement. However, if any other matter is properly presented at the special meeting, the shares represented by proxies in the form of the enclosed proxy card will be voted in the discretion of the named proxy holders.

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WHERE YOU CAN FIND MORE INFORMATION

We are subject to the information requirements of the Exchange Act and file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy these reports, proxy statements and other information at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. These SEC filings are also available to the public from commercial document retrieval services and at the web site maintained by the SEC at www.sec.gov.

Alipay has supplied all information contained in this proxy statement relating to Alipay, Guarantor and Merger Sub set forth in Summary The Parties to the Merger ; Summary The Merger Financing of the Merger ; The Parties to the Merger ; and The Merger Financing of the Merger. We have supplied all such information relating to us and the merger.

You should rely only on the information contained in this proxy statement. We have not authorized anyone to provide you with information that is different from what is contained in this proxy statement. This proxy statement is dated , 2017. You should not assume that the information contained in this proxy statement is accurate as of any date other than that date. Neither the mailing of this proxy statement to stockholders nor the issuance of cash in the merger creates any implication to the contrary.

The SEC allows us to incorporate by reference into this proxy statement documents we file with the SEC. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this proxy statement, and later information that we file with the SEC will update and supersede that information. We incorporate by reference the documents listed below and any documents filed by us pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this proxy statement and before the date of the special meeting. Unless specifically stated to the contrary, none of the information that we disclose under Items 2.02 or 7.01 of any Current Report on Form 8-K that we may from time to time furnish to the SEC will be incorporated by reference into, or otherwise included in, this proxy statement.

Annual Report on Form 10-K for the fiscal year ended December 31, 2016, filed on March 16, 2017; and

Current Reports on Form 8-K filed March 20, 2017 and March 27, 2017.

You can obtain any of these documents from the SEC through the SEC s website at the address described above, or MoneyGram will provide you with copies of these documents (not including exhibits to the information that is incorporated by reference unless such exhibits are specifically incorporated by reference into the information that this proxy statement incorporates), without charge, upon written or oral request to:

MoneyGram International, Inc.

2828 N. Harwood Street, 15th Floor

Dallas, Texas 75201

Attention: Corporate Secretary

If you would like to request documents from us, please do so at least five business days before the date of the special meeting in order to receive timely delivery of those documents prior to the special meeting.

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MULTIPLE STOCKHOLDERS SHARING ONE ADDRESS

Some banks, brokers and other nominee record holders may be participating in the practice of householding proxy statements. This means that only one copy of this proxy statement may have been sent to multiple stockholders in your household unless we have received contrary instructions from one or more stockholders. We will promptly deliver a separate copy of this proxy statement to you if you contact us at the following address: MoneyGram International, Inc., 2828 North Harwood Street, 15th Floor, Dallas, Texas 75201, Attention: Corporate Secretary, telephone: (214) 999-7552. If you want to receive separate copies of the proxy statement or annual report to stockholders in the future, or if you are receiving multiple copies and would like to receive only one copy per household, you should contact your bank, broker, or other nominee record holder, or you may contact us at the above address or telephone number.

If you have any questions about this proxy statement, the special meeting or the acquisition by Alipay after reading this proxy statement, or if you would like additional copies of this proxy statement, please contact our proxy solicitor at:

470 West Avenue

Stamford, Connecticut 06902

Shareholders Call Toll Free: 1-800-662-5200

Banks and Brokers Call Collect: 1-203-658-9400

E-mail: moneygram@morrowsodali.com

This proxy statement contains references to the availability of certain information from our website, corporate.moneygram.com. By making such references, we do not incorporate into this document the information included on our website.

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ANNEX A

Execution Version

AGREEMENT AND PLAN OF MERGER

BY AND BETWEEN

ALIPAY (UK) LIMITED,

MATRIX ACQUISITION CORP.,

ALIPAY (HONG KONG) HOLDING LIMITED, solely for purposes of Section 8.16,

AND

MONEYGRAM INTERNATIONAL, INC.

DATED AS OF JANUARY 26, 2017

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AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER, dated as of January 26, 2017 (as amended, supplemented or otherwise modified from time to time, this Agreement), is entered into by and between Alipay (UK) Limited, a United Kingdom limited company (Parent), Matrix Acquisition Corp., a Delaware corporation and a Subsidiary of Parent (Merger Sub), Alipay (Hong Kong) Holding Limited, a Hong Kong limited company (Guarantor), solely for purposes of Section 8.16 (and the sections referenced therein) and MoneyGram International, Inc., a Delaware corporation (the Company).

RECITALS

WHEREAS, the parties intend that, on the terms and subject to the conditions set forth herein, Merger Sub shall merge with and into the Company, with the Company being the surviving corporation (the Merger);

WHEREAS, the board of directors of the Company (the Company Board) by resolutions duly adopted by the vote of the board of directors at a meeting duly called and held, which resolutions have not as of the date of this Agreement been subsequently rescinded, modified or withdrawn in any way, has (i) determined that the Merger and the other transactions contemplated by this Agreement are fair to and in the best interests of the Company and its stockholders, (ii) approved, adopted, declared advisable and authorized in all respects this Agreement and the transactions contemplated hereby, including the Merger, (iii) directed that the Merger be submitted to the stockholders of the Company for approval at the Company Stockholders Meeting and (iv) recommended that the Company s stockholders approve the Merger;

WHEREAS, the respective boards of directors of Parent and Merger Sub have (i) approved and declared advisable this Agreement and the transactions contemplated by this Agreement, including the Merger, upon the terms and subject to the conditions set forth herein and (ii) determined that this Agreement and such transactions are fair to, and in the best interests of, Parent and Merger Sub and their respective stockholders;

WHEREAS, Parent, Merger Sub and certain stockholders of the Company have entered into Voting and Support Agreements, dated as of the date hereof (the Voting and Support Agreements), providing that, among other things, subject to the terms and conditions set forth therein, such stockholders will support the Merger and the other transactions contemplated hereby, including by voting to adopt this Agreement; and

WHEREAS, the holders of all of the outstanding shares of Series D Preferred Stock have delivered to Parent a copy of an irrevocable written consent evidencing approval by such holders of the effect of the consummation of the Merger on the Series D Preferred Stock as set forth in Article II of this Agreement (the Preferred Stock Consent);

WHEREAS, concurrently with the execution of this Agreement, and as a condition and inducement to the Company s willingness to enter into this Agreement, Parent has provided to the Company an irrevocable payment guarantee (the Payment Guarantee) issued by Citibank, N.A., Hong Kong Branch (the Issuing Bank) in the face amount of $45,000,000, for the benefit of the Company, which may be drawn by the Company in accordance with the terms thereof in the event the Parent Termination Fee or the Parent Regulatory Termination Fee is not paid by Parent when due in accordance with the terms of this Agreement (and, if applicable, any Expense and Interest Payments); and

WHEREAS, the parties desire to make certain representations, warranties, covenants and agreements in connection with this Agreement.

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NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained herein, and subject to the conditions set forth herein, the parties agree as follows:

ARTICLE I

THE MERGER

1.1. The Merger. Subject to the terms and conditions of this Agreement, in accordance with the Delaware General Corporation Law (DGCL), at the Effective Time, Merger Sub shall merge with and into the Company, whereupon the separate corporate existence of Merger Sub shall cease and the Company shall continue its corporate existence under the Laws of the State of Delaware as the surviving corporation in the Merger (hereinafter sometimes referred to as the Surviving Corporation).

1.2. Closing of the Merger. Subject to the terms and conditions of this Agreement, the closing of the Merger (the Closing) will take place, unless another time, date or place is agreed to in writing by the parties, at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, NY 10017 at 10:00 a.m. (New York City time), no later than the third (3rd) Business Day (or, if earlier, the Business Day immediately prior to the End Date) after the satisfaction or waiver (to the extent permitted by applicable Law) of the conditions (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions) set forth in Article VI; provided, that if the Required Information has not been provided by the Company at the time of the satisfaction or waiver of all of the conditions set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), the Closing shall occur on the earlier of (a) a date specified by Parent in writing on no fewer than three (3) Business Days notice to the Company (it being understood that such date may be conditioned upon the simultaneous completion of the Debt Financing and, if the Debt Financing is not completed for any reason at such time, such notice shall automatically be deemed withdrawn) and (b) the fifth (5th) Business Day following the date the Required Information is provided by the Company, provided that in each case of (a) and (b) the Closing is subject to the satisfaction or waiver (to the extent permitted by applicable Law) of the conditions (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions) set forth in Article VI.. The date on which the Closing occurs is the Closing Date.

1.3. Effective Time. On the Closing Date, the Company and Merger Sub shall cause the Merger to be consummated by executing, delivering and filing a certificate of merger (the Certificate of Merger) with the Secretary of State of the State of Delaware in accordance with the relevant provisions of the DGCL and other applicable Delaware Law and shall make such other filings or recordings required under the DGCL in connection with the Merger. The Merger shall become effective at such time as the Certificate of Merger is duly filed with the Secretary of State of the State of Delaware, or at such later time on the Closing Date as may be agreed by Parent and the Company and specified in the Certificate of Merger in accordance with the DGCL (such time as the Merger becomes effective is referred to herein as the Effective Time).

1.4. Effects of the Merger. At and after the Effective Time, the Merger shall have the effects set forth in the DGCL. Without limiting the foregoing and subject to the foregoing, at the Effective Time, all of the property, assets, rights, privileges, immunities, powers and franchises of Merger Sub and the Company shall vest in the Surviving Company and all of the debts, liabilities and duties of Merger Sub and the Company shall become the debts, liabilities and duties of the Surviving Company.

1.5. Certificate of Incorporation. The certificate of incorporation of the Company, as in effect as of immediately prior to the Effective Time, shall by virtue of the Merger be amended and restated as of the Effective Time so as to read in

its entirety as set forth in Annex A, and as so amended and restated shall be the certificate of incorporation of the Surviving Company following the Merger until thereafter amended in accordance with the provisions thereof and of applicable Law.

1.6. Bylaws. The bylaws of the Company, as in effect as of immediately prior to the Effective Time, shall by virtue of the Merger be amended and restated as of the Effective Time so as to read in their entirety as set forth in

Annex B, and as so amended and restated shall be the bylaws of the Surviving Company until thereafter amended in accordance with the provisions thereof, the certificate of incorporation of the Surviving Company and of applicable Law.

1.7. Board of Directors. The directors of Merger Sub immediately prior to the Effective Time, with such additional individuals that Parent may designate prior to the Effective Time to serve as directors of the Surviving Company pursuant to Section 5.14, shall be the directors of the Surviving Company as of the Effective Time, each to hold office in accordance with the certificate of incorporation and bylaws of the Surviving Company as amended as of the Effective Time, until their respective successors are duly elected or appointed (as the case may be) and qualified, or their earlier death, resignation or removal.

1.8. Officers. The officers of the Company immediately prior to the Effective Time shall be the officers of the Surviving Company as of the Effective Time, each to hold office in accordance with the certificate of incorporation and bylaws of the Surviving Company as amended as of the Effective Time, until their respective successors are duly appointed, or their earlier death, resignation or removal.

ARTICLE II

CONSIDERATION

2.1. Effect on Common Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the holder of any shares (the Shares) of common stock, par value $0.01 per share, of the Company (the Common Stock):

(a) any Shares then held by any wholly owned Subsidiary of the Company shall be converted into one fully paid and nonassessable share of common stock of the Surviving Corporation (the Converted Shares);

(b) any Shares then held by the Company, Parent, Merger Sub or any entity of which Merger Sub is a direct or indirect wholly owned Subsidiary shall be cancelled and retired and no cash or other consideration shall be delivered in exchange therefor (the Cancelled Shares); and

(c) each share of Common Stock outstanding immediately prior to the Effective Time (other than Dissenting Shares, Converted Shares or Cancelled Shares) shall be cancelled and converted into the right to receive $13.25 in cash, without interest (the Merger Consideration).

2.2. Effect on Preferred Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the holder of any shares of Series D Preferred Stock, par value $0.01 per share, of the Company (the Series D Preferred Stock), each share of Series D Preferred Stock shall be cancelled and each holder of shares of Series D Preferred Stock shall be entitled to receive an amount in cash equal to the aggregate Merger Consideration such holder would have received had such holder, immediately prior to the Effective Time, converted all of its shares of Series D Preferred Stock into shares of Common Stock (without regard to any limitations contained in the certificate of designation with respect to such Series D Preferred Stock).

2.3. Merger Sub Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the holder of any Shares, each share of common stock, par value $0.01 per share, of Merger Sub outstanding immediately prior to the Effective Time shall be converted into and become one share of common stock of the Surviving Company.

2.4. Treatment of Company Options and Company RSUs.

(a) At the Effective Time, each outstanding option to purchase shares of Common Stock (a Company Option) granted pursuant to the Company s 2005 Omnibus Incentive Plan (as amended, restated, modified or supplemented from time to time, the Company Stock Plan), whether vested or unvested, that is outstanding immediately prior to the Effective Time, unless otherwise agreed to in writing by Parent and the holder of such

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Company Option, shall automatically be terminated at the Effective Time and converted into the right of the holder thereof to receive, in full satisfaction of the Company s obligations with respect to any such Company Option, as of the Effective Time, an amount in cash (subject to any applicable withholding Taxes) equal to the product of (x) the excess, if any, of the Merger Consideration over the applicable exercise price of such Company Option and (y) the number (determined without reference to vesting requirements or other limitations on exercisability) of shares of Common Stock issuable upon exercise of such Company Option (the Option Consideration). Any Company Option that is outstanding immediately prior to the Effective Time and has an exercise price that is equal to or greater than the Merger Consideration shall expire upon the Effective Time without being converted into the right to receive any consideration in respect thereof.

(b) At the Effective Time, each restricted stock unit representing the right to receive one share of Common Stock, whether subject to performance-based vesting requirements or time-based vesting requirements (each, a Company RSU) outstanding immediately prior to the Effective Time, shall, unless otherwise agreed to in writing by Parent and the holder of such Company RSU, automatically be converted into a cash-settled long-term incentive award (a Converted Award), representing a right to receive an amount of cash, without interest, equal to the per share Merger Consideration, on the same vesting terms and conditions applicable to such Company RSU immediately before the Effective Time. On the date, and to the extent, that the Converted Award becomes vested, such vested Converted Award shall be paid, subject to any applicable withholding taxes, as soon as practicable thereafter (but in any event not later than the second regular payroll date thereafter). The Company shall take all actions necessary to provide for the foregoing actions.

2.5. Dissenting Shares.

(a) Notwithstanding anything to the contrary contained herein, any shares of Common Stock that are issued and outstanding immediately prior to the Effective Time and as to which the holders thereof have not voted in favor of the adoption of this Agreement and have properly demanded appraisal in accordance with Section 262 of the DGCL and have not effectively withdrawn such demand (collectively, Dissenting Shares) shall not be converted into the right to receive the Merger Consideration as provided in Section 2.1, and such holders shall be entitled only to such rights and payments as are granted by Section 262 of the DGCL; provided, however, that if any such holder shall effectively waive, withdraw or lose such holder s rights under Section 262 of the DGCL, each of such holder s Dissenting Shares shall thereupon be deemed to have been converted at the Effective Time into the right to receive the Merger Consideration as provided in Section 2.1, without interest and after giving effect to any required Tax withholdings as provided herein, and such holder thereof shall cease to have any other rights with respect thereto. At the Effective Time, any holder of Dissenting Shares shall cease to have any rights with respect thereto, except the rights provided in Section 262 of the DGCL and as provided in the previous sentence.

(b) The Company shall give Parent (i) prompt notice of any written notices received by the Company with respect to any intent to demand, or written demands for, appraisal with respect to any shares of Common Stock, attempts to withdraw such notices or demands and any other instruments or notices served pursuant to Section 262 of the DGCL or other applicable Law relating to stockholders appraisal rights and (ii) the right to participate in all negotiations and proceedings with respect to the exercise of appraisal rights under Section 262 of the DGCL or other applicable Law relating to stockholders appraisal rights. The Company shall not, except with the prior written consent of Parent or as otherwise required by an order of a Governmental Entity of competent jurisdiction, make any payment or other commitment with respect to any such demands for appraisal, offer to settle or settle any such demands or approve any withdrawal of any such demands.

2.6. Paying Agent.

(a) Prior to the Effective Time, Parent shall enter into an agreement in form and substance reasonably acceptable to the Company with the Company s transfer agent or a bank or trust company that is reasonably satisfactory to the Company to act as paying agent (the Paying Agent). At or prior to the Effective Time, Parent

or one of its Subsidiaries shall deposit, or shall cause to be deposited, with the Paying Agent, for the benefit of the holders of Shares (other than Dissenting Shares, Converted Shares or Cancelled Shares) and the Series D Preferred Stock cash in U.S. dollars sufficient to pay the aggregate Merger Consideration with respect to all Shares (other than Dissenting Shares, Converted Shares or Cancelled Shares) and Series D Preferred Stock outstanding immediately prior to the Effective Time. With respect to any Dissenting Shares, Parent shall only be required to deposit or cause to be deposited with the Paying Agent funds sufficient to pay the aggregate Merger Consideration payable in respect of such Dissenting Shares if the holder thereof fails to perfect or effectively withdraws or loses its right to dissent under the DGCL. The funds held by the Paying Agent shall be invested by the Paying Agent as directed by Parent; provided, however, to the extent such funds are not sufficient to make the payments provided in this Article II, Parent shall, or shall cause the Surviving Corporation to, promptly replace or restore the lost portion of such fund so as to ensure that it is maintained at a level sufficient to make such payments.

(b) As soon as reasonably practicable after the Effective Time, Parent shall cause the Paying Agent to mail to each holder of record of Shares (other than Dissenting Shares, Converted Shares or Cancelled Shares) or Series D Preferred Stock that immediately prior to the Effective Time were evidenced by certificates (the Certificates): (i) a form of letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates to the Paying Agent) and (ii) instructions for use in effecting the surrender of the Certificates in exchange for the Merger Consideration. Upon proper surrender of a Certificate (or affidavits of loss in lieu thereof in accordance with Section 2.6(g)) for exchange and cancellation to the Paying Agent, together with a letter of transmittal, duly completed and validly executed in accordance with the instructions thereto, and such other documents as may be reasonably required pursuant to such instructions, the holder of such Certificate shall be entitled to receive in exchange therefor the Merger Consideration in respect of the Shares or Series D Preferred Stock formerly represented by such Certificate and such Certificate so surrendered shall forthwith be cancelled. No interest will be paid or accrued for the benefit of holders of the Certificates on the Merger Consideration payable upon the surrender of the Certificates.

(c) Any holder of record of Shares (other than Dissenting Shares, Converted Shares or Cancelled Shares) or Series D Preferred Stock that immediately prior to the Effective Time were not evidenced by certificates (the Book Entry Shares) shall not be required to deliver a Certificate or, unless reasonably requested by the Paying Agent, an executed letter of transmittal to the Paying Agent in order to receive the aggregate Merger Consideration with respect to such Book Entry Shares, and as soon as reasonably practicable after the Effective Time, the Paying Agent shall pay and deliver to each holder of Book Entry Shares the aggregate Merger Consideration in respect of such Book Entry Shares, and such Book Entry Shares shall then be canceled. No interest will be paid or accrued for the benefit of holders of Book Entry Shares on the Merger Consideration payable in respect of such Book Entry Shares.

(d) If the payment of the Merger Consideration is to be made to a person other than the registered holder of the Certificate surrendered in exchange therefor or the registered holder of Book Entry Shares, it shall be a condition of payment that the Certificate so surrendered shall be properly endorsed (or accompanied by an appropriate instrument of transfer) and otherwise in proper form for transfer or such Book Entry Shares shall be properly transferred, and that the person requesting such payment shall pay to the Paying Agent in advance any applicable stock transfer or other Taxes or shall establish to the reasonable satisfaction of the Paying Agent that such Taxes have been paid or are not payable.

(e) At and after the Effective Time, there shall be no transfers on the stock transfer books of the Company of the Shares and of the Series D Preferred Stock that were issued and outstanding immediately prior to the Effective Time. If, after the Effective Time, Certificates representing such shares are presented for transfer to the Paying Agent, they shall be (subject to compliance with the other provisions of this Article II) cancelled and exchanged for the Merger Consideration as provided in this Article II. From and after the Effective Time, the holders of Shares and the holder of

shares of Series D Preferred Stock, in each case outstanding immediately

prior to the Effective Time, shall cease to have any rights with respect to such Shares and Series D Preferred Stock except as otherwise provided for herein or by applicable Law.

(f) Any portion of the funds deposited with the Paying Agent pursuant to Section 2.6(a) (including any interest or other proceeds of any investment thereon) that remains unclaimed by the stockholders of the Company twelve (12) months after the Effective Time shall be paid, at the request of Parent, to Parent or as directed by Parent. Any stockholders of the Company who have not theretofore complied with this Article II shall thereafter look only to the Surviving Corporation for payment of the Merger Consideration in respect of each share of Common Stock held by such stockholder at the Effective Time as determined pursuant to this Agreement, in each case, without any interest thereon. Notwithstanding anything to the contrary contained herein, none of Parent, the Company, the Paying Agent or any other person shall be liable to any former holder of shares of Common Stock for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or similar Laws.

(g) In the event any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such Certificate to be lost, stolen or destroyed and, if required by Parent or the Paying Agent, the posting by such person of a bond in such amount as Parent or the Paying Agent may determine is reasonably necessary as indemnity against any claim that may be made against it with respect to such Certificate, the Paying Agent will issue in exchange for such lost, stolen or destroyed Certificate the Merger Consideration deliverable in respect thereof pursuant to this Agreement.

2.7. Withholding. Parent or any of its Subsidiaries and the Paying Agent shall be entitled to deduct and withhold or cause to be deducted and withheld from any payment otherwise payable pursuant to the Merger such amounts as are required to be deducted and withheld with respect to such payment under all applicable Tax laws. To the extent that amounts are so deducted or withheld, such amounts shall be treated for all purposes of this Agreement as having been paid to the recipient of the payment in respect of which such deduction and withholding was made.

2.8. Certain Adjustments. Without limiting the obligations of the Company under this Agreement (including Section 5.1), if between the date of this Agreement and the Effective Time, the number of Shares or the number of shares of Common Stock issuable upon conversion, exchange or exercise of any issued and outstanding securities of the Company (including the Series D Preferred Stock) are changed into a different number or a different class by reason of any reclassification, stock split (including a reverse stock split), stock dividend or distribution, recapitalization, or other similar transaction, then the Merger Consideration and any other dependent items, as applicable, shall be appropriately and proportionately adjusted and as so adjusted shall, from and after the date of such event, be the Merger Consideration or other dependent item, as applicable.

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ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as (i) disclosed in the Company Reports filed with, or furnished to, the SEC since January 1, 2015 and prior to the date hereof (other than such disclosures in such Company Reports contained in the Risk Factors and Forward Looking Statements sections thereof or that are otherwise cautionary, predictive or forward-looking in nature) (it being acknowledged that this clause (i) shall not apply to any of Sections 3.2, 3.3, 3.21 and 3.22) or (ii) set forth on the disclosure schedule delivered by the Company to Parent and Merger Sub contemporaneously with the execution of this Agreement (the Company Disclosure Schedule) (it being agreed that disclosure of any item in any section of the Company Disclosure Schedule shall also be deemed disclosure with respect to any other Section of this Agreement to which the relevance of such item is reasonably apparent on the face of such disclosure), the Company hereby represents and warrants to Parent and Merger Sub as follows:

3.1. Corporate Organization.

(a) The Company is a corporation duly organized and validly existing under the Laws of the State of Delaware. The Company is in good standing under the Laws of the State of Delaware and has all requisite corporate power and authority to own, lease or operate all of its properties, rights and assets and to carry on its business as it is now being conducted, and is duly qualified or licensed to do business in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties, rights and assets owned, leased or operated by it makes such qualification necessary, except where the failure to be so qualified, licensed or in good standing would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The certificate of incorporation and bylaws of the Company, copies of which have been made available to Parent, are true, complete and correct copies of such documents as in full force and effect as of the date of this Agreement.

(b) Each Subsidiary of the Company (i) is duly organized and validly existing as a corporation, partnership or other entity and is in good standing under the laws of its jurisdiction of organization, (ii) is duly qualified or licensed to do business and is in good standing in all jurisdictions (whether federal, state, local or foreign) where its ownership or leasing of property or the conduct of its business requires it to be so qualified or licensed and (iii) has all requisite corporate or other power and authority to own or lease its properties, rights and assets and to carry on its business as now conducted, except where the failure to be so organized, existing, licensed, qualified or in good standing would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The certificate of incorporation, bylaws and similar governing documents of each Subsidiary of the Company, copies of which have been made available to Parent, are true, complete and correct copies of such documents as in full force and effect as of the date of this Agreement.

3.2. Capitalization.

(a) The authorized capital stock of the Company consists of 162,500,000 shares of Common Stock and 7,000,000 shares of preferred stock, $0.01 par value per share. As of the date of this Agreement, there were (i) 58,823,567 shares of Common Stock outstanding (and 6,056,193 shares of Common Stock held in treasury), (ii) 71,282 shares of Series D Preferred Stock outstanding, (iii) Company Options to purchase an aggregate of 2,486,185 shares of Common Stock (with a weighted average exercise price per Share of $18.0215), (iv) 3,023,751 shares of Common Stock underlying time-based Company RSUs, (v) 1,593,065 shares of Common Stock underlying performance-based Company RSUs (assuming achievement of the target level of performance at the end of the applicable performance period) and (vi) 5,570 Common Stock appreciation rights. All of the issued and outstanding shares of capital stock of the Company are, and all shares that may be issued between the date hereof and the Closing Date will be, duly authorized and

validly issued and are fully paid, nonassessable and free of preemptive rights. No Subsidiary of the Company owns any shares of Common Stock.

(b) Except as set forth in Section 3.2(a) and Section 3.2(b) of the Company Disclosure Schedule and except for any Common Stock issuable upon conversion of the Series D Preferred Stock in accordance with the

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terms thereof and upon the vesting of any Company RSUs outstanding on the date hereof, (i) the Company does not have any other shares of Common Stock, preferred stock or capital stock outstanding, (ii) neither the Company nor any of its Subsidiaries has issued, granted or is bound by any outstanding subscriptions, options, warrants, calls, convertible securities, preemptive rights, redemption rights, stock appreciation rights, stock-based performance units or other similar rights or Contracts that require the Company or any of its Subsidiaries to purchase or issue any shares of the capital stock of the Company or of any of its Subsidiaries or other equity securities of the Company or any of its Subsidiaries or any securities representing the right to purchase or otherwise receive any shares of the capital stock of the Company or any of its Subsidiaries (including any rights plan or agreement) or equity-based awards and (iii) there are no Contracts to which the Company or any of its Subsidiaries is a party obligating the Company or any of its Subsidiaries to (A) issue, transfer or sell any shares of capital stock or other equity interests of the Company or any of its Subsidiaries or securities convertible into or exchangeable or exercisable for such shares or equity interests, (B) issue, grant, extend or enter into any such subscription, option, warrant, call, convertible securities, stock-based performance units or other similar right, agreement, arrangement or commitment or (C) redeem or otherwise acquire any such shares of capital stock or other equity interests.

(c) Except as set forth in Section 3.2(c) of the Company Disclosure Schedule, there are no Contracts to which the Company or any of its Subsidiaries is a party that restricts the transfer of, that relates to the voting of, or that provides registration rights in respect of, the capital stock or other equity interest of the Company or any of its Subsidiaries.

(d) Section 3.2(d) of the Company Disclosure Schedule contains a list setting forth, as of the date of this Agreement, all outstanding Company Options and Company RSUs and all other equity or equity-based awards relating to Common Stock, the names of the optionees or grantees thereof, identification of any such optionees or grantees that are not current or former employees, directors or officers of the Company or its Subsidiaries, the date each such Company Option or other award was granted, the number of shares of Common Stock subject to each such Company Option or underlying each such other award, the expiration date of each such Company Option or other award, any vesting schedule with respect to a Company Option which is not yet fully vested and the date on which each other award is scheduled to be settled or become free of restrictions, the price at which each such Company Option may be exercised, and, solely with respect to the Company Options, the fair market value of one share of Common Stock on the date of grant of each of the foregoing.

(e) Section 3.2(e) of the Company Disclosure Schedule sets forth a complete list of each Subsidiary of the Company, together with its jurisdiction of organization or incorporation and the ownership interest (and percentage interest) of the Company or its Subsidiaries, in such Subsidiary. Except as set forth in Section 3.2(e) of the Company Disclosure Schedule, the Company and its Subsidiaries own, directly or indirectly, all of the issued and outstanding shares of capital stock or other equity interests of each of the Subsidiaries of the Company, free and clear of any Liens, other than transfer and other restrictions under applicable securities Laws, and all of such outstanding shares of stock or other equity securities have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights.

(f) Section 3.2(f) of the Company Disclosure Schedule sets forth a complete list of all joint ventures, partnerships, limited liability companies or other companies, entities or persons, other than the Subsidiaries of the Company, in which the Company or any of its Subsidiaries owns, directly or indirectly, any shares of capital stock or equity interests, together with the Company s or its Subsidiary s ownership interest (and percentage interest) in each such person.

(g) As of the date of this Agreement (i) there is no outstanding indebtedness for borrowed money (or guarantees thereof) of the Company or its Subsidiaries (excluding intercompany indebtedness among the Company and/or wholly-owned Subsidiaries) other than indebtedness reflected on the consolidated balance sheet of the Company and

its Subsidiaries as of September 30, 2016 (or the notes thereto) set forth in the Company s Form 10-Q filed October 31, 2016 and as set forth on Section 3.2(g) of the Company Disclosure Schedule and

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(ii) neither the Company nor any of its Subsidiaries is a party to, or has any commitment to become a party to, any off balance sheet arrangement (as defined in Item 303(a) of Regulation S-K promulgated by the SEC). The Company does not have outstanding any bonds, debentures, notes or other indebtedness having the right to vote on any matters on which stockholders may vote.

3.3. Authority.

(a) The Company has full corporate power and authority to execute and deliver this Agreement and, subject to the Company Stockholder Approval, to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation by the Company of the transactions contemplated hereby have been duly and validly approved by all necessary corporate action of the Company and no other corporate or stockholder proceedings (subject, in the case of the consummation of the Merger, to the Company Stockholder Approval), on the part of the Company are necessary to approve this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by the Company and (assuming due authorization, execution and delivery by Parent, Merger Sub and Guarantor) constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of Law or a court of equity and by bankruptcy, insolvency and similar Laws affecting creditors rights and remedies generally.

(b) The Company Board, by resolutions duly adopted by the vote of the board of directors at a meeting duly called and held, which resolutions have not as of the date of this Agreement been subsequently rescinded, modified or withdrawn in any way, has (i) determined that the Merger and the other transactions contemplated by this Agreement are fair to and in the best interests of the Company and its stockholders, (ii) approved, adopted, declared advisable and authorized in all respects this Agreement and the transactions contemplated hereby, including the Merger, (iii) directed that the Merger be submitted to the stockholders of the Company for approval at the Company Stockholders Meeting and (iv) recommended that the Company s stockholders approve the Merger (the Company Recommendation).

3.4. Consents and Approvals.

(a) No consents, authorizations or approvals of, or filings or registrations with, any Governmental Entities are required to be obtained or made by or on behalf of the Company or any of its Subsidiaries in connection with the execution, delivery or performance by the Company of this Agreement or the consummation of the Merger and the other transactions contemplated hereby, except for: (i) the filing with the SEC of a proxy statement in preliminary and definitive form relating to the meeting of the stockholders of the Company to be held to vote on the adoption of this Agreement (the Proxy Statement), (ii) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware, (iii) any notices or filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act) and the foreign competition Laws as set forth in Section 3.4(a)(iii) of the Company Disclosure Schedules and the expiration or termination of any applicable waiting periods (or approval) thereunder, (iv) the consents, authorizations, approvals, filings or registrations required under any Money Transmitter Requirements applicable to the Money Transmitter Licenses set forth on Section 3.4(a)(iv) of the Company Disclosure Schedule, (v) CFIUS Approval, (vi) the other consents and approvals as set forth on Section 3.4(a)(vi) of the Company Disclosure Schedule and (vii) such other consents, authorizations, approvals, filings and registrations, the failure of which to obtain or make would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Except as set forth on Section 3.4(b) of the Company Disclosure Schedule, neither the execution, delivery or performance of this Agreement by the Company nor the consummation by the Company of the transactions

contemplated hereby, will (i) violate any provision of the certificate of incorporation or bylaws of the Company or any of the similar governing documents of any of its Subsidiaries or (ii) assuming that the filings, consents, approvals and waiting periods referred to in Section 3.4(a) are duly made, obtained or satisfied,

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(A) violate any law, statute, code, ordinance, rule, regulation, judgment, order, award, writ, decree or injunction issued, promulgated or entered into by or with any Governmental Entity (each, a Law) applicable to the Company or any of its Subsidiaries or any of their respective properties, rights or assets, or (B) violate, conflict with, require a payment under, result in a breach of any provision of or the loss of any benefit under, or require redemption, repayment or repurchase or otherwise require the purchase or sale of any securities, constitute a default under, result in the termination of or a right of termination, modification or cancellation under, accelerate the performance required by, or result in the creation of any Lien (or have any of such results or effects upon notice or lapse of time, or both) upon any of the respective properties, rights or assets of the Company or any of its Subsidiaries under, any of the terms, conditions or provisions of any Contract to which the Company or any of its Subsidiaries is a party, or by which they or any of their respective properties, rights, assets or business activities may be bound or affected, except (in the case of clauses (A) and (B) above) for such violations, conflicts, breaches, defaults or other events which would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(c) Section 3.4(c) of the Company Disclosure Schedule sets forth (i) each jurisdiction in which the Company or any of its Subsidiaries holds any Money Transmitter Licenses, (ii) each jurisdiction in which the Company or any of its Subsidiaries has applications pending for any Money Transmitter Licenses and (iii) each jurisdiction in which the Company or any of its Subsidiaries operates without a Money Transmitter License and pursuant to a contract or other arrangement with a third party agent (an Alternative Arrangement Contract). The Company has made available to Parent the current form of the Company s Alternative Arrangement Contract which is entered into with Authorized Delegates in the jurisdictions described in clause (iii) above in substantially such form with such modifications made from time to time to reflect local Laws and practices and the individual terms agreed with such Authorized Delegates.

3.5. SEC Documents; Other Reports; Internal Controls.

(a) Since January 1, 2014, the Company has timely filed or furnished all reports, forms, schedules, exhibits, certifications, registration statements and other documents required to be filed or furnished by it with the SEC (such documents and any other documents filed or furnished by the Company with the SEC, as have been supplemented, modified or amended since the time of filing, collectively the Company Reports). As of their respective dates (or, if amended or superseded by a subsequent filing prior to the date hereof, as of the date of such subsequent filing), the Company Reports complied in all material respects with the requirements of the Securities Act of 1933, as amended (the Securities Act), the Securities Exchange Act of 1934, as amended (the Exchange Act) and the Sarbanes-Oxley Act of 2002 (the Sarbanes-Oxley Act), as the case may be, and the rules and regulations thereunder applicable to such Company Reports, and none of the Company Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Since January 1, 2014, the Company has been in compliance in all material respects with the applicable listing and corporate governance rules and regulations of NASDAQ. The Company has made available to Parent true and complete copies of all comment letters and any other material correspondence between the SEC, on the one hand, and the Company or any Company Subsidiaries, on the other hand, since January 1, 2014 and prior to the date hereof. As of the date hereof, there are no outstanding or unresolved comments in a comment letter received from the SEC staff with respect to any Company Report and, to the knowledge of the Company, none of the Company Reports is the subject of any ongoing review by the SEC. None of the Company s Subsidiaries is required to file periodic reports with the SEC pursuant to Section 13 or 15(d) of the Exchange Act.

(b) The Company has established disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) that are designed to ensure that all material information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC s rules and forms. The Company has designed and maintains a system of internal control

over financial reporting (as defined in Rules 13a-15(f) and

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15d-15(f) of the Exchange Act) to provide reasonable assurances regarding the reliability of financial reporting for the Company. Neither the Company nor any of the Company Subsidiaries, nor, to the knowledge of the Company, any Representative of the Company or any of its Subsidiaries, has received in writing any material complaint, allegation, assertion or claim regarding the accounting or auditing practices, procedures, methodologies or methods of the Company or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that the Company or any of its Subsidiaries has engaged in accounting practices in violation of applicable Law.

(c) Each of the Chief Executive Officer of the Company and the Chief Financial Officer of the Company has made all certifications required by Rule 13a-14 or 15d-14 under the Exchange Act and Sections 302 and 906 of the Sarbanes-Oxley Act with respect to the Company Reports, and the statements contained in such certifications are accurate in all material respects as of the date of this Agreement.

3.6. Financial Statements; Undisclosed Liabilities.

(a) The financial statements of the Company (including any related notes and schedules thereto) included in the Company Reports complied as to form, as of their respective dates of filing with the SEC (or, if amended or superseded by a subsequent filing prior to the date hereof, as of the date of such subsequent filing), in all material respects, with all applicable accounting requirements, the Securities Act and the Exchange Act, and with the rules and regulations of the SEC with respect thereto, have been prepared in accordance with U.S. GAAP applied on a consistent basis during the periods involved (except as may be disclosed therein and, in the case of the unaudited financial statements, as permitted by the SEC, and except that the unaudited financial statements are subject to normal year-end and audit adjustments), and fairly present, in all material respects, the consolidated financial position of the Company and its Subsidiaries and the consolidated results of operations, changes in stockholders equity and cash flows of such companies as of the dates and for the periods shown.

(b) Except for (i) those liabilities that are reflected or reserved for in the consolidated financial statements of the Company included in its Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2016, as filed with the SEC, (ii) liabilities incurred since September 30, 2016 in the ordinary course of business consistent with past practice, (iii) liabilities incurred pursuant to or as expressly permitted by this Agreement or (iv) liabilities that would not have, individually or in the aggregate, a Material Adverse Effect, neither the Company nor any of its Subsidiaries has incurred any liability or obligations of any nature whatsoever (whether absolute, accrued or contingent or otherwise, whether due or to become due) and whether or not required by U.S. GAAP to be disclosed, reflected or reserved for in a consolidated balance sheet or the notes thereto.

3.7. Absence of Certain Changes or Events. Since December 31, 2015 (a) no event, change, effect or occurrence has occurred or fact or circumstance has arisen which has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (b) none of the Company or any of its Subsidiaries has taken any action that would have been prohibited by clauses (v), (vi), (viii), (ix), (xiii), (xiv), (xv) and (xviii) of Section 5.1(a)(B) if taken after the date of this Agreement and (c) the Company and each of its Subsidiaries has conducted its business in all material respects in the ordinary course consistent with past practice.

3.8. Legal Proceedings.

(a) Except as set forth in Section 3.8(a) of the Company Disclosure Schedule, , there are no Claims pending or, to the knowledge of the Company, threatened against the Company or any of its Subsidiaries, other than any such Claims that would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. There is no injunction, writ, order, award, judgment, settlement or decree imposed upon or entered into by the

Company, any of its Subsidiaries or the properties, rights or assets of the Company or any

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of its Subsidiaries that materially restricts the business or operations of the Company or any of its Subsidiaries, taken as a whole, or that imposes material obligations on the Company or any of its Subsidiaries, taken as a whole.

(b) Except as otherwise set forth in Section 3.8(b) of the Company Disclosure Schedule, since January 1, 2014, (i) there have been no material subpoenas, written demands, written inquiries or written information requests received by the Company or any of its Subsidiaries from any Governmental Entity and (ii) no Governmental Entity has requested that the Company or any of its Subsidiaries enter into a settlement negotiation or tolling agreement with respect to (A) any material matter related to any such subpoena, written demand, inquiry or information request or (B) any other possible legal action.

(c) Since November 9, 2012, the Company and its Subsidiaries has undertaken, and will continue to undertake, the enhanced compliance obligations described in Attachment C to the Deferred Prosecution Agreement, by and among the Company, the U.S. Attorney s Office for the Middle District of Pennsylvania and the U.S. Department of Justice (the Deferred Prosecution Agreement) and neither the Company nor its Subsidiaries is in breach or violation of, and has not received any notice regarding a breach of the Deferred Prosecution Agreement by the Company, its Subsidiaries or any of their respective Representatives. The Company has made available to Parent true, correct and complete copies of the Deferred Prosecution Agreement, each report prepared by the Company s monitor appointed under the Deferred Prosecution Agreement (and written responses, if any, by the Company to such reports) and all material written communications from and to the U.S. Department of Justice in connection with the Deferred Prosecution Agreement.

3.9. Compliance With Applicable Law.

(a) The Company and each of its Subsidiaries (i) are, and since January 1, 2014 have been, in compliance with and are not in default under or in violation of any applicable Legal Requirement and (ii) since January 1, 2014, have not received any written notice from any Governmental Entity alleging, or to the knowledge of the Company, has any Governmental Entity otherwise threatened, that the Company or any of its Subsidiaries is in violation of any applicable Legal Requirement, except in the case of clauses (i) and (ii), for such non-compliance, default or violation as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The Company and each of its Subsidiaries hold, and since January 1, 2014 have held, and are (and have been) in material compliance with, all material Approvals (which material Approvals include all Money Transmitter Licenses) which are required for the conduct of their respective businesses and ownership of their respective properties, rights and assets. All such Approvals are valid and in full force and effect, except as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Since January 1, 2014, neither the Company nor any of its Subsidiaries has received notice or other communication from any Governmental Entity regarding (and to the knowledge of the Company there is not): (i) any actual or possible material violation of or failure to comply with any material term or requirement of any Money Transmitter Licenses or any other material Approval; (ii) any actual or possible revocation, withdrawal, suspension, cancellation, termination or modification of any Money Transmitter Licenses or any other material Approval; or (iii) any denial of, or failure to obtain or receive, any Money Transmitter Licenses or any other material Approval, in each case related to the Company or any of its Subsidiaries in any jurisdiction that is material to the business of the Company and its Subsidiaries, taken as a whole. Since January 1, 2014, neither the Company nor any of its Subsidiaries has been denied a Money Transmitter License by any Governmental Entity nor has any Money Transmitter License been revoked, suspended or materially limited.

(c) Except as set forth in Section 3.9(c) of the Company Disclosure Schedule and except for normal examinations conducted by a Governmental Entity in the regular course of the business of the Company and its Subsidiaries, since January 1, 2014, no Governmental Entity has to the knowledge of the Company, initiated or threatened any

proceeding with respect to, or is contemplating or undertaking an investigation into, the business or operations of the Company or any of its Subsidiaries. Except as set forth in Section 3.9(c) of the Company

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Disclosure Schedule, there is no unresolved material violation with respect to any report, form, schedule, registration, statement or other document filed by, or relating to any examinations by any such Governmental Entity of, the Company or any of its Subsidiaries. The Company has made available to Parent complete and correct copies of all (i) material investigation, examination, audit or inspection reports provided to the Company or any of its Subsidiaries by any Governmental Entity in respect of the Company or any of its Subsidiaries, (ii) material written responses to any such reports made by the Company or any of its Subsidiaries and (iii) other material correspondence relating to any investigation, examination, audit or inspection of the Company or any of its Subsidiaries, in the case of each of clauses (i), (ii) and (iii), since January 1, 2015 and except for such reports, responses and correspondence which the Company is required to keep confidential under applicable Law.

(d) Except as set forth in Section 3.9(d) of the Company Disclosure Schedule, each of the Company and its Subsidiaries is, and has at all times since January 1, 2015 been, in compliance in all material respects with the Bank Secrecy Act of 1970, as amended by the USA PATRIOT Act of 2001, and all other applicable Legal Requirements related to financial recordkeeping or reporting, or the prevention of money laundering or terrorist financing in the jurisdictions in which they are organized and conduct business, including any Legal Requirement implementing the Forty Recommendations published by the Financial Action Task Force on Money Laundering (collectively, the Anti-Money Laundering Laws). Each of the Company and its Subsidiaries has adopted, implemented and maintains policies and procedures reasonably designed to ensure its compliance with Anti-Money Laundering Laws.

(e) None of the Company or any of its Subsidiaries currently (or, to the knowledge of the Company, at any time during the five years prior to the date of this Agreement), (i) is a person, or is located in a country or territory (except in connection with business operations authorized by the regulations administered by OFAC), that is subject to sanctions administered by the United States, the United Nations Security Council, the European Union, or the United Kingdom (each a Sanctions Authority), (ii) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person or entity designated on any economic or financial sanctions list maintained by any Sanctions Authority, including OFAC s List of Specially Designated Nationals and Blocked Persons (SDN), Sectoral Sanctions Identification (SSI) List, or Foreign Sanctions Evader (FSE) List, or any other similar list maintained by any other applicable Sanctions Authority (except pursuant to and as authorized by the regulations administered by OFAC), (iii) deals in, or otherwise engages in any transaction involving property or interests in property blocked pursuant to any applicable sanctions administered by any Sanctions Authority (except pursuant to and as authorized by the regulations administered by OFAC) or (iv) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the applicable prohibitions set forth in any of the foregoing clauses of this Section 3.9(e).

(f) Except as set forth in Section 3.9(d) of the Company Disclosure Schedule, none of the Company or any of its Subsidiaries, including in connection with the business of any correspondent or agent, has currently (or, to the knowledge of the Company, at any time during the five years prior to the date of this Agreement), directly or indirectly made any unlawful contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to or for the benefit of any government official, candidate for public office, political party, political campaign or other person, private or public, regardless of form, whether in money, property, or services: (i) for the purpose of (A) influencing any act or decision of such government official, candidate, party, campaign or other person, (B) inducing such government official, candidate, party, campaign or other person to do or omit to do any act in violation of a lawful duty, (C) obtaining or retaining business for or with any person, (D) expediting or securing the performance of official acts of a routine nature or (E) otherwise securing any improper advantage; or (ii) in violation of the Foreign Corrupt Practices Act of 1977, 15 U.S.C. §§ 78dd-1, *et seq.*, the UK Bribery Act 2012, any applicable Legal Requirements implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business (collectively, the Bribery Legislation). None of the Company or any of its Subsidiaries is, or has at any time during the five years prior to the date of this Agreement, subject to any Claims, or made any voluntary

disclosures to any Governmental Entity, involving the Company or any of its Subsidiaries in any way relating to applicable Bribery Legislation. The Company and its Subsidiaries have

adopted procedures reasonably designed to prevent their directors, officers, employees, agents, representatives and affiliates from unlawfully offering, promising or giving anything of value to another person to obtain or retain business or an advantage in the conduct of their business.

3.10. Material Contracts.

(a) Except as set forth in Section 3.10(a) of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries is, as of the date of this Agreement, a party to or is bound by any Contract:

(i) with a bank or other provider of transaction processing or settlement services for the funding of transfers initiated through services provided by the Company or its Subsidiaries that is material to the operation of the Company and its Subsidiaries, taken as a whole;

(ii) with the top twenty (20) Authorized Delegates by revenue and by transaction volume for the year ended December 31, 2016;

(iii) that relates to any joint venture, partnership, limited liability or other similar agreements or arrangements relating to the formation, creation, operation, management or control of any joint venture or partnership (other than with or among wholly owned Subsidiaries of the Company);

(iv) that (A) is an indenture, credit agreement, loan agreement, security agreement, guarantee, note, mortgage or other contract providing for or securing indebtedness or deferred payment (in each case, whether incurred, assumed, guaranteed or secured by any asset) in excess of $2,000,000, (B) grants a Lien (other than a Permitted Lien) or restricts the granting of Liens (except for leases and contracts relating to indebtedness) on any property or asset of the Company or its Subsidiaries that is material to the Company and its Subsidiaries, taken as a whole, (C) provides for or relates to any interest, currency or hedging, derivatives or similar contracts or arrangements (other than non-speculative hedges or forward contracts entered into in the ordinary course of business) or (D) restricts payment of dividends or any distributions in respect of the equity interests of the Company or any of its Subsidiaries;

(v) that relates to the settlement of, or other arrangements with respect to, any current or former Claim (A) with any Governmental Entity (except settlements, or other arrangements, for an immaterial monetary fine), (B) that materially restricts or imposes obligations upon the Company or its Subsidiaries, taken as a whole, or (C) which would require the Company or any of its Subsidiaries to pay consideration of more than $2,000,000 after the date of this Agreement;

(vi) that is between the Company or any of its Subsidiaries, on the one hand, and any of the Company s or its Subsidiaries respective directors, officers (including any employment agreements and related Contracts with such officers) or stockholders who own five percent (5%) or more of the Shares, on the other hand;

(vii) that contains covenants that (A) purport to limit or restrict, in any material respect, the ability of the Company or any of its Subsidiaries (or Parent or its affiliates after the Effective Time) to compete with any person in any business or in any geographic area, including any non-compete covenant or (B) grant to the other party to such Contract (or a third party) exclusivity or most favored nation status (whether in terms of pricing or otherwise);

(viii) that grants any rights of first refusal, rights of first offer or other similar rights to any person (other than Parent or the Company) with respect to any material asset of the Company or its Subsidiaries or that contains a put, call or similar right pursuant to which the Company or any of its Subsidiaries could be required to purchase or sell, as applicable, any equity interests of any person or assets of any person;

(ix) that is for the acquisition or disposition, directly or indirectly (by merger or otherwise), of assets or capital stock or other equity interests of any person, pursuant to which the Company or any of its Subsidiaries has continuing earn out or other similar contingent payment obligations, indemnification or other obligations outstanding;

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(x) that obligates the Company to make any capital expenditure or investment not contemplated by the Capital Expenditure Budget in excess of $2,000,000 in 2017 or $2,000,000 in 2018;

(xi) that requires the Company or any of its Subsidiaries to provide any funds to or make any investment in (in each case, in the form of a loan, capital contribution or similar transaction) any person in excess of $2,000,000;

(xii) that grants rights to Intellectual Property or relates to material IT Assets, and in either case, is, individually or in the aggregate, material to the operation of the business of the Company or its Subsidiaries (other than non-exclusive commercially available software licenses with annual fees of less than $2,000,000 or non-exclusive licenses to service providers, customers and end users in the ordinary course of business consistent with past practice); or

(xiii) except to the extent such Contract is described in clauses (i)-(xii) above, that calls for annual aggregate payments by, or other consideration from (or annual aggregate payments, or other consideration, to) the Company and its Subsidiaries of more than $4,000,000.

Each Contract, arrangement or commitment of the type described in this Section 3.10(a) (whether or not in effect on the date hereof), is referred to herein as a Material Contract. The Company has made available to Parent true, correct and complete copies of each Material Contract (including any amendments, schedules and exhibits thereto).

(b) Except as set forth in Section 3.10(b) of the Company Disclosure Schedule and except as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) each Material Contract is valid and binding on the Company or its applicable Subsidiary and in full force and effect, and, to the knowledge of the Company, is valid and binding on the other parties thereto (except to the extent that, after the date hereof, a Material Contract no longer remains valid and binding due to the expiration of such Material Contract in accordance with its terms), (ii) the Company and each of its Subsidiaries and, to the knowledge of the Company, each of the other parties thereto, has performed all obligations required to be performed by it to date under each Material Contract and (iii) no event or condition exists which constitutes or, after notice or lapse of time or both, would constitute a breach or default or give rise to any right of termination, cancellation, modification or acceleration on the part of the Company or any of its Subsidiaries or, to the knowledge of the Company, any other party thereto, under any such Material Contract. Since December 31, 2014 through the date hereof, neither the Company nor any of its Subsidiaries has received any written notice of a material breach or material default from a counterparty to any Material Contract and no counterparty to a Material Contract has notified the Company or its Subsidiaries that it intends to terminate or not renew a Material Contract.

3.11. Taxes. Except as set forth in Section 3.11 of the Company Disclosure Schedule:

(a) (i) no examinations, audits or other proceedings in respect of any material Tax liability of the Company or any of its Subsidiaries is being conducted by a taxing authority or has been, to the knowledge of the Company, threatened by a taxing authority; (ii) all income and other material Tax Returns (as hereinafter defined) required to be filed by, or on behalf of, the Company or its Subsidiaries have been filed (including pursuant to applicable extensions granted without penalty), and such Tax Returns are true, correct and complete in all material respects; (iii) each of the Company and its Subsidiaries has timely paid in full all material Taxes, whether or not shown as due on such Tax Returns, or, where payment is not yet due, has made adequate provision in the financial statements of the Company (in accordance with U.S. GAAP) for all such Taxes (as hereinafter defined); (iv) no deficiencies for any material Taxes have been proposed, threatened, asserted or assessed by a taxing authority against the Company or any of its Subsidiaries or any of their assets or properties; and (v) there are no material Liens for Taxes upon the assets or properties of either the Company or its Subsidiaries, other than with respect to Taxes not yet due or payable.

(b) Since January 1, 2011, neither the Company nor any of its Subsidiaries (i) is or has ever been a member of an affiliated group (other than a group the common parent of which is the Company) filing a

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consolidated tax return or (ii) has any material liability for Taxes of any person (other than the Company and any of its Subsidiaries) arising from the application of Treasury Regulation Section 1.1502-6 or any analogous provision of state, local or foreign Law, or as a transferee or successor, by contract, or otherwise.

(c) None of the Company or any of its Subsidiaries is a party to, is bound by or has any obligation under any Tax sharing, Tax indemnity or Tax allocation agreement or similar contract or arrangement, in each case, that includes a party other than the Company or any of its Subsidiaries.

(d) Since January 1, 2011, no closing agreement pursuant to Section 7121 of the U.S. Internal Revenue Code of 1986, as amended (the Code) (or any similar provision of state, local or foreign Law) has been entered into by or with respect to the Company or any of its Subsidiaries.

(e) None of the Company or any of its Subsidiaries has been either a distributing corporation or a controlled corporation in a distribution occurring during the last five (5) years in which the parties to such distribution treated the distribution as one to which Section 355 of the Code is applicable.

(f) All material Taxes required to be withheld, collected or deposited by or with respect to the Company and each Subsidiary have been timely withheld, collected or deposited as the case may be, and to the extent required, have been properly paid to the relevant taxing authority. The Company and each of its Subsidiaries have complied in all material respects with all information reporting requirements imposed by the Code (or any similar provision under any state, local or foreign Law).

(g) Neither the Company nor any of its Subsidiaries has requested or been granted any waiver of any federal, state, local or foreign statute of limitations with respect to, or any extension of a period for the assessment or collection of, any Tax.

(h) Neither the Company nor any of its Subsidiaries has entered into, or have been a material advisor with respect to, any transactions that are or would be part of any reportable transaction or that could give rise to any list maintenance obligation under Sections 6011, 6111, or 6112 of the Code (or any similar provision under any state or local Law) or the regulations thereunder.

(i) Neither Parent, the Company or any of their Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period ending after the Effective Time as a result of any (i) change in method of accounting either imposed by the Internal Revenue Service or voluntarily made by the Company or any of its Subsidiaries on or prior to the Closing Date, (ii) intercompany transaction (including any intercompany transaction subject to Sections 367 or 482 of the Code) or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any similar provision of state, local, or foreign income Tax Law), (iii) installment sale or open transaction arising in a taxable period (or portion thereof) ending on or prior to the Closing Date, (iv) a prepaid amount received or paid prior to the Closing Date, (v) deferred gains arising prior to the Closing Date, (vi) deferred cancellation of indebtedness income, or (vii) election or transaction which reduced any Tax attribute (including basis in assets). Neither the Company nor any of its Subsidiaries have any application pending with any taxing authority requesting permission for any changes in accounting methods that relate to its business or assets.

(j) Neither the Company nor any Subsidiary is currently or has been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code.

(k) No written claim has ever been made by any taxing authority in a jurisdiction where neither the Company nor any of its Subsidiaries files Tax Returns that is or may be subject to taxation by that jurisdiction.

(l) For purposes of this Agreement:

(i) Tax or Taxes shall mean all federal, state, local, foreign and other taxes, levies, imposts, assessments, duties, customs, fees, impositions or other similar government charges, including, but not limited to

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income, estimated income, business, occupation, franchise, real property, payroll, personal property, sales, transfer, stamp, use, escheat, employment-related, commercial rent or withholding, net worth, occupancy, premium, gross receipts, profits, windfall profits, deemed profits, license, lease, severance, capital, production, corporation, ad valorem, excise, duty, utility, environmental, value-added, recapture, withholding, backup withholding or other taxes, including any interest, penalties, fines and additions (to the extent applicable) thereto, whether disputed or not; and

(ii) "Tax Return" shall mean any return, report, declaration, information return or other document (including any related or supporting information) filed with or submitted to, or required to be filed with or submitted to any taxing authority with respect to Taxes, including all information returns relating to Taxes of third parties, any claims for refunds of Taxes or declarations of estimated Taxes and any amendments, supplements or attached schedules to any of the foregoing.

3.12. Employees; Employee Benefit Plans.

(a) Section 3.12(a) of the Company Disclosure Schedule contains a complete list of each material Plan. For purposes of this Agreement, the term "Plan" shall mean each and any employee benefit plan (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including multiemployer plans within the meaning of ERISA Section 3(37)), and all material stock purchase, stock option, severance, retention, consulting, employment, employee loan, change-in-control, fringe benefit, bonus, incentive, deferred compensation, commission, restricted stock, health and welfare, retirement, supplemental retirement, retiree medical, life insurance plans and all other employee compensation or benefit plans, Contracts, agreements, programs, policies or other arrangements, whether or not subject to ERISA (including any funding mechanism therefor now in effect or required in the future as a result of the transactions contemplated by this Agreement or otherwise), whether formal or informal, oral or written, legally binding or not, under which (i) any current or former employee, officer, director, consultant or independent contractor of the Company or any of its Subsidiaries ("Company Employees") has any present or future right to benefits and which are contributed to, sponsored by or maintained by the Company or any of its Subsidiaries or (ii) under which the Company or any of its Subsidiaries has any present or future liability.

(b) With respect to each Plan, the Company has delivered to Parent or made available a current, accurate and complete copy (or, to the extent no such copy exists, an accurate description) thereof and, to the extent applicable: (i) any related trust agreement or other funding instrument; (ii) the most recent Internal Revenue Service determination or opinion letter, if applicable; (iii) any summary plan description and other material written communications by the Company or any of its Subsidiaries to Company Employees concerning the extent of the benefits provided (or to be provided); and (iv) for the most recent two (2) years (A) the Form 5500 and attached schedules, (B) audited financial statements and (C) actuarial valuation reports.

(c) Except as would not have or reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) each Plan has been established and administered in all material respects in accordance with its terms and in compliance with the applicable provisions of ERISA, the Code and other applicable Laws, rules and regulations; (ii) each Plan which is intended to be qualified within the meaning of Section 401(a) of the Code has received a favorable Internal Revenue Service determination or opinion letter as to its qualification (or still has time to request such a letter or application for such qualification is pending), and nothing has occurred, whether by action or failure to act, that could reasonably be expected to cause the loss of such qualification; (iii) no event has occurred and no condition exists that would subject the Company or any of its Subsidiaries, either directly or by reason of their affiliation with any "ERISA Affiliate" (defined as any organization which is a member of a controlled group of organizations within the meaning of Sections 414(b), (c), (m) or (o) of the Code), to any tax, fine, lien, penalty or other liability imposed by ERISA, the Code or other applicable Laws, rules and regulations; (iv) for each Plan with respect to which a Form 5500 has been filed, no material change has occurred with respect to matters covered by the

most recent Form since the date thereof; (v) no reportable event (as such term is defined in Section 4043 of ERISA) that could reasonably be expected

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to result in liability, no nonexempt prohibited transaction (as such term is defined in Section 406 of ERISA and Section 4975 of the Code) or failure to satisfy a minimum funding standard (as such term is defined in Section 302 of ERISA and Section 412 of the Code (whether or not waived)) has occurred with respect to any Plan; (vi) except as set forth in Section 3.12(c)(vi) of the Company Disclosure Schedule, no Plan provides post-employment welfare (including health, medical or life insurance) benefits and neither the Company nor any of its Subsidiaries have any current or potential liability in respect of any such post-employment welfare benefits now or in the future, for current, former or retired employees of the Company or any of its Subsidiaries, other than as required to avoid an excise tax under Section 4980B of the Code; (vii) neither the Company nor any ERISA Affiliate has engaged in, or is a successor or parent corporation to an entity that has engaged in, a transaction described in Sections 4069 or 4212(c) of ERISA.

(d) None of the Plans is a multiemployer plan (within the meaning of Section 4001(a)(3) of ERISA) and none of the Company, its Subsidiaries or any ERISA Affiliate has at any time sponsored or contributed to, or has or had any liability or obligation in respect of, any multiemployer plan.

(e) With respect to any Plan, (i) no material actions, suits or claims (other than routine claims for benefits in the ordinary course) are pending, or to the knowledge of the Company, threatened (ii) to the knowledge of the Company, no facts or circumstances exist that could give rise to any such actions, suits or claims, (iii) no written or oral communication has been received from the Pension Benefit Guaranty Corporation (the PBGC) in respect of any Plan subject to Title IV of ERISA concerning the funded status of any such plan, and (iv) no administrative investigation, audit or other administrative proceeding by the Department of Labor, the PBGC, the Internal Revenue Service or other governmental agencies are pending, threatened, or in progress (including any routine requests for information from the PBGC).

(f) Except as set forth in Section 3.12(f) of the Company Disclosure Schedule, no Plan exists that, as a result of the execution of this Agreement, stockholder approval of this Agreement or the transactions contemplated by this Agreement (whether alone or in connection with any subsequent event(s)), could: (i) result in severance pay or any material increase in severance pay upon any termination of employment after the date of this Agreement, (ii) result in the acceleration of the time of payment or vesting or result in any payment or funding (through a grantor trust or otherwise) of compensation or benefits under, increase the amount payable or result in any other material obligation pursuant to, any of the Plans, (iii) result in the limitation of or restriction of the right of the Company to merge, amend or terminate any Plan, or (iv) give, or which has given, rise to the payment of any amount that would not be deductible pursuant to the terms of Section 280G of the Code.

(g) Except as set forth in Section 3.12(g) of the Company Disclosure Schedule, no Plan is maintained outside the jurisdiction of the United States, or covers any employee residing or working outside the United States (any such Plan set forth in Section 3.12(g) of the Company Disclosure Schedule, a Foreign Benefit Plan). Except as would not have or reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, with respect to any Foreign Benefit Plans, (i) all Foreign Benefit Plans have been maintained and administered in compliance with their terms and all applicable statutes, laws, ordinances, rules, orders, decrees, judgments, writs, and regulations of any controlling governmental authority or instrumentality; (ii) all Foreign Benefit Plans that are required to be funded are fully funded to the extent so required, and with respect to all other Foreign Benefit Plans, adequate reserves therefore have been established on the accounting statements of the applicable Company or Subsidiary entity; and (iii) no material liability or obligation of the Company or its Subsidiaries exists with respect to such Foreign Benefit Plans that has not been disclosed on Section 3.12(g) of the Company Disclosure Schedules.

3.13. Labor Matters.

(a) Neither the Company nor any of its Subsidiaries is a party to or is bound by or is currently negotiating any collective bargaining agreement or Contract with a labor union or labor organization. Neither the Company nor any of its Subsidiaries is the subject of a proceeding asserting that it or any such Subsidiary has committed an unfair labor practice (within the meaning of the National Labor Relations Act).

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(b) No labor union or labor organization or group of employees of the Company or any Subsidiaries has made a pending demand for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or, to the knowledge of the Company, threatened to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority. To the knowledge of the Company, there have been no labor union organizing activities with respect to any employees of the Company or any Subsidiaries. There is no strike or other material labor dispute or disputes involving the Company or any of its Subsidiaries pending or, or to the Company s knowledge, threatened.

(c) To the knowledge of the Company, the Company and each of its Subsidiaries is in material compliance with all applicable Laws, Contracts, relating to employment, employment practices, compensation, immigration, employee leave, benefits, hours, terms and conditions of employment, and the termination of employment, including the proper classification of employees as exempt or nonexempt from overtime pay requirements and the proper classification of individuals as contractors or employees, unemployment insurance, collective dismissals and the Worker Adjustment and Retraining Notification Act (and any applicable similar foreign, state or local Laws) (collectively, the WARN Act).

3.14. Intellectual Property.

(a) Section 3.14(a) of the Company Disclosure Schedule sets forth a complete and accurate list of all patents, patent applications, trademark registrations, trademark applications, registered copyrights, copyright applications and domain name registrations owned or purported to be owned by the Company or any of its Subsidiaries (Registered IP). The Registered IP is subsisting and unexpired, and to the Company s knowledge, valid and enforceable. The Company and its Subsidiaries solely own all Registered IP and all of their other material proprietary Intellectual Property, free and clear of all Liens.

(b) Neither the Company nor any of its Subsidiaries is misappropriating or to the Company s knowledge, infringing, diluting or otherwise violating the Intellectual Property of any other person in any material respect. There are no Claims pending, or to the Company s knowledge, threatened in writing (including cease-and-desist letters and invitations to take a patent license) (i) alleging that the Company or its Subsidiaries has Infringed or is Infringing any Intellectual Property of any other person or (ii) challenging the ownership, validity or enforceability of the Registered IP or any material unregistered proprietary Intellectual Property of the Company or its Subsidiaries. To the Company s knowledge, no other person is Infringing the Intellectual Property owned by the Company or its Subsidiaries.

(c) The proprietary software of the Company and its Subsidiaries (i) does not incorporate, use, link to, and is not based upon, any open source or similar software in any manner that would require the Company or its Subsidiaries to license, distribute, offer or make available any source code of such proprietary software, or make any payment to any other person, in connection with the licensing, distribution, availability or conveyance of such proprietary software to other persons, (ii) to the Company s knowledge, is free of all material defects, errors, bugs, viruses, trap doors, Trojan horses or other corruptants or contaminants and (iii) substantially conforms in all material respects to its documentation and all written representations and warranties provided in agreements with customers and clients.

(d) Neither the Company nor any Subsidiary is a party to any agreement with a third party requiring the deposit of source code of any software developed by or on behalf of the Company or any Subsidiary for the benefit of any third person. No third person other than those who require such access to provide services for or on behalf of the Company or a Subsidiary has any current or contingent access or possession of (or the right to access or possess) such source code, and no such source code will be required to be released in connection with the transactions contemplated by this Agreement.

(e) The Company and its Subsidiaries maintain commercially reasonable Privacy Policies and are in compliance in all material respects with such Privacy Policies, all applicable Privacy Laws, the Payment Card

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Industry Data Security Standard, as adopted by the PCI Security Standards Council, LLC and all legally required industry certifications. Section 3.14(e) of the Company Disclosure Schedule contains each Privacy Policy of the Company and its Subsidiaries in effect at any time since January 1, 2012. The Company and its Subsidiaries have posted the Privacy Policies in a clear and conspicuous location on all websites and mobile applications owned or operated by the Company or its Subsidiaries. No written Claims are pending, or to the Company s knowledge, threatened against the Company or any of its Subsidiaries alleging a violation of any person s privacy or rights in Personal Data or any Privacy Laws in connection with the Company s or its Subsidiaries privacy practices.

(f) To the Company s knowledge, none of the execution, delivery or performance of this Agreement or any of the other agreements, documents or instruments referred to in this Agreement; the consummation of the Merger; or any of the transactions contemplated by this Agreement will result in any violation of any Privacy Policy of any websites or mobile applications of the Company and its Subsidiaries or any applicable Privacy Law.

(g) The Company and its Subsidiaries use reasonable best efforts to protect and maintain the security, redundancy, continuous operation, recovery and integrity of all their IT Assets, and there have been no material breaches, outages, violations or unauthorized access to or use of same, except in each case as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The Company and its Subsidiaries have established and are in compliance in all material respects with a written information security program that is commercially reasonable and: (i) includes administrative, technical and physical safeguards designed to safeguard the security, confidentiality, and integrity of their IT Assets and (ii) is designed to protect against unauthorized access to their IT Assets.

(h) For purposes of this Agreement:

(i) IT Assets means computer systems, software, firmware, middleware, servers, websites, applications, databases, workstations, routers, hubs, switches, circuits, networks, data communications lines, and all other information technology equipment.

(ii) Personal Data means all personal information and personally identifiable information as defined in the applicable Legal Requirements, including a natural person s name, street address, telephone number, e-mail address, social security number, driver s license number, passport number, financial account information or any other piece of information, as defined by the applicable Legal Requirements, that allows for the identification of such natural person.

(iii) Privacy Laws means any Legal Requirement relating to data, privacy, Personal Data and IT Assets security, including the Telephone Consumer Protection Act, 47 U.S.C. § 227, EU Data Protection Directive 95/46/EC, the ePrivacy Directive 2002/58/EC, as implemented by EU Member States, and all other Legal Requirements governing data privacy and obligations with respect to the collection, use, retention or disposal of Personal Data.

(iv) Privacy Policy means all internal and posted policies regarding the collection, use, retention or disposal of Personal Data in connection with the business of the Company and its Subsidiaries.

3.15. Environmental Liability. Except as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (a) to the knowledge of the Company, Materials of Environmental Concern are not present at or affecting any real property leased by the Company or its Subsidiaries; and (b) neither the Company nor its Subsidiaries nor, to the knowledge of the Company, any of their predecessors or other entities for which they are liable, has caused any condition at such leased property or other location for which any of them may be liable, that has resulted in or would reasonably be expected to result in liability or other obligation (i) under any applicable Laws protecting the quality of the ambient air, soil, surface water or groundwater, or natural resources (Environmental

Laws) or (ii) regarding any Materials of Environmental Concern.

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3.16. Property.

(a) Neither the Company nor any of its Subsidiaries own any real property or interests in real property or any options to acquire such real property or interests therein.

(b) Section 3.16(b) of the Company Disclosure Schedule identifies all material leases, subleases, licenses and other occupancy agreements in effect as of the date hereof pursuant to which the Company or a Subsidiary occupies real property and all other leases material to the Company and its Subsidiaries under which the Company or a Subsidiary, as lessee, leases tangible personal property (Leases). Except as would not have or reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) each of the Leases is in full force and effect, valid and binding in accordance with their respective terms, and there is not under any such Lease any existing default by the Company or such Subsidiary or, to the knowledge of the Company, any other party thereto, or, to the knowledge of the Company, any event which with notice or lapse of time or both would constitute such a default.

(c) The Company and its Subsidiaries have good and valid title to all tangible personal property owned by them, free and clear of all Liens, except as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.17. Insurance. Section 3.17 of the Company Disclosure Schedule contains a true, correct and complete list and a brief description (including name of insurer, agent, coverage and expiration date) of all insurance policies in force on the date hereof with respect to the business and assets of the Company and its Subsidiaries. (a) The Company and its Subsidiaries are in material compliance with their insurance policies and are not in default under any of the material terms thereof, (b) each such policy is in full force and effect, (c) the Company has not received any written notice or termination or cancellation or denial of coverage with respect any such insurance policy and (d) all premiums and other payments due under any such policy have been paid.

3.18. Anti-Takeover Statutes; Stockholder Vote Required. Assuming the accuracy of the representations contained in Section 4.7, no fair price, moratorium, control share acquisition or other similar anti-takeover statute or regulation enacted under the Laws of the State of Delaware (including Section 203 of the DGCL), federal Law or the Laws of any other state in the United States is applicable to this Agreement, the Merger, the Voting and Support Agreements or the other transactions contemplated hereby and by the Voting and Support Agreements.

3.19. Stockholder Vote Required. The affirmative vote of the holders of a majority of the outstanding shares of Common Stock at the Company Stockholders Meeting (the Company Stockholder Approval) and the Preferred Stock Consent are the only actions of the holders of any class or series of the Company capital stock necessary to approve and adopt this Agreement and the transactions contemplated hereby (including the Merger).

3.20. Company Information. The information relating to the Company and its Subsidiaries to be provided by or on behalf the Company for inclusion in the Proxy Statement, any filing pursuant to Rule 14a-12 under the Exchange Act, or in any other document filed with any other Governmental Entity in connection herewith, will not, at the date it is first mailed to the stockholders of the Company and at the time of the Company Stockholders Meeting, contain any untrue statement of or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. The Proxy Statement will comply as to form in all material respects with the provisions of the Exchange Act and the rules and regulations thereunder.

3.21. Opinion Of Financial Advisor. The Company has received the opinion of Bank of America Merrill Lynch, dated as of the date of this Agreement (the Fairness Opinion), to the effect that, as of such date, and based upon and subject

to the limitations, qualifications and assumptions set forth therein, the Merger Consideration to be received by the holders of Shares pursuant to this Agreement is fair from a financial point of

view to such holders. The Company will make a copy such opinion available to Parent solely for informational purposes promptly following receipt thereof.

3.22. Broker s Fees. Except for Bank of America Merrill Lynch, neither the Company nor any Subsidiary thereof has employed or engaged any broker or finder or incurred any liability for any broker s fees, commissions or finder s fees in connection with the Merger or any other transaction contemplated by this Agreement. True, correct and complete copies of all agreements with Bank of America Merrill Lynch relating to any such fees or commissions (or otherwise relating to the transactions contemplated by this Agreement) have been furnished to Parent prior to the date hereof.

3.23. Transactions with Affiliates. Except as set forth in Section 3.23 of the Company Disclosure Schedule, neither the Company, nor any of its Subsidiaries, is party to any Contract that would be required to be disclosed under Item 404 of Regulation S-K promulgated under the Securities Act that have not been disclosed in the Company Reports filed prior to the date of this Agreement.

3.24. No Other Representations or Warranties. The Company acknowledges and agrees that, except for the representations and warranties contained in Article IV, the Company has not relied on and none of Parent, Merger Sub or any of their respective affiliates or Representatives has made any representation or warranty, either express or implied, whether written or oral, concerning Parent, Merger Sub or any of their respective affiliates or any of their respective businesses, operations, assets, liabilities, results of operations, condition (financial or otherwise) or prospects, the transactions contemplated by this Agreement or otherwise with respect to information provided by or on behalf of Parent, Merger Sub or any of their respective affiliates or Representatives.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except as set forth on the disclosure schedule delivered by Parent to the Company contemporaneously with the execution of this Agreement (the Parent Disclosure Schedule) (it being agreed that disclosure of any item in any section of the Parent Disclosure Schedule shall also be deemed disclosure with respect to any other Section of this Agreement to which the relevance of such item is reasonably apparent on the face of such disclosure), Parent and Merger Sub hereby represent and warrant to the Company as follows:

4.1. Corporate Organization.

(a) Parent is duly organized and validly existing under the Laws of the Hong Kong Special Administrative Region. Parent has all requisite corporate power and authority to own, lease or operate all of its properties, rights and assets and to carry on its business as it is now being conducted, and is duly licensed or qualified to do business in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties, rights and assets owned, leased or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not have or reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(b) Merger Sub is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. Merger Sub was formed solely for the purpose of engaging in the transactions contemplated hereby, has not owned any properties, rights or assets other than in connection with the transactions contemplated by this Agreement, and has engaged in no other business other than in connection with the transactions contemplated by this Agreement. Merger Sub is a wholly owned Subsidiary of Parent. All of the outstanding shares of capital stock of Merger Sub have been validly issued, are fully paid and nonassessable and are owned by, and at the Effective Time will be owned by,

Parent free and clear of all Liens (other than Liens incurred in connection with the Debt Financing and any restrictions on transfer under applicable securities Laws).

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4.2. Authority; No Violation.

(a) Parent and Merger Sub have full corporate power and authority to execute and deliver the Transaction Documents to which each of Parent and Merger Sub is a party, to perform its obligations thereunder and to consummate the transactions contemplated thereby. The execution and delivery by each of Parent and Merger Sub of the Transaction Documents to which each of Parent and Merger Sub is a party and the consummation by Parent and Merger Sub of the transactions contemplated thereby have been duly and validly approved by the board of directors of Parent and the board of directors of Merger Sub and any other necessary corporate and stockholder action of Parent and Merger Sub, except for the adoption of this Agreement by Parent in its capacity as the sole stockholder of Merger Sub (which will occur immediately following the execution of this Agreement), and no other corporate or stockholder proceedings on the part of Parent and Merger Sub are necessary to approve the Transaction Documents to which each of Parent and Merger is a party, perform their respective obligations thereunder or to consummate the transactions contemplated thereby. The Transaction Documents to which each of Parent and Merger Sub is a party have been duly and validly executed and delivered by Parent and Merger Sub and (assuming due authorization, execution and delivery by the other parties thereto) constitutes a valid and binding obligation of Parent and Merger Sub, enforceable against Parent and Merger Sub in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of Law or a court of equity and by bankruptcy, insolvency and similar Laws affecting creditors rights and remedies generally.

4.3. Consents and Approvals.

(a) No consents, authorizations or approvals of, or filings or registrations with, any Governmental Entities are required to be obtained or made by or on behalf of Parent or Merger Sub are necessary in connection with the execution and delivery by Parent and Merger Sub of the Transaction Documents to which each of Parent and Merger Sub is a party and the consummation of the Merger and the other transactions contemplated thereby, except for (i) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware, (ii) the Approvals required under any Money Transmitter Requirements as set forth on Section 4.3(a)(ii) of the Parent Disclosure Schedule, (iii) any notices or filings under the HSR Act and the foreign competition Laws as set forth in Section 3.4(a)(iii) of the Company Disclosure Schedule and the expiration or termination of any applicable waiting periods (or approvals) thereunder, (iv) CFIUS Approval and (v) such other consents, authorizations, approvals, filings and registrations, the failure of which to obtain or make would not have or reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(b) Neither the execution, delivery or performance of the Transaction Documents by Parent and Merger Sub, as applicable, nor the consummation by Parent and Merger Sub of the transactions contemplated thereby, nor compliance by Parent and Merger Sub with any of the terms or provisions thereof, will (i) violate any provision of the organizational documents of Parent and Merger Sub or (ii) assuming that the consents, approvals and waiting periods referred to in Section 4.3(a) are duly obtained or satisfied, (A) violate any Law applicable to Parent or Merger Sub or any of their respective properties, rights or assets, or (B) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, or require redemption, repayment or repurchase or otherwise require the purchase or sale of any securities, constitute a default under, required any consent under, result in the termination of or a right of termination, modification or cancellation under, accelerate the performance required by, or result in the creation of any Lien (or have any of such results or effects upon notice or lapse of time, or both) upon any of the respective properties, rights or assets of Parent or Merger Sub under, any of the terms, conditions or provisions of any Contract to which Parent or Merger Sub is a party, or by which they or any of their respective properties, rights, assets or business activities may be bound or affected, except (in the case of clauses (A) and (B) above) for such violations, conflicts, breaches, defaults or other events which would not have or reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

4.4. Broker s Fees. No broker, finder, investment banker or other person will be entitled to any brokerage, finder s or other fee or commission from the Company prior to the Closing in connection with the transactions contemplated by the Transaction Documents based upon arrangements made by or on behalf of Parent or Merger Sub.

4.5. Parent Information. The information relating to Parent and its Subsidiaries to be provided by or on behalf of Parent for inclusion in the Proxy Statement will not, at the date it is first mailed to the stockholders of the Company and at the time of the Company Stockholders Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

4.6. No Vote of Parent Stockholders. All approvals by the stockholder of Parent have been obtained to the extent required by applicable Law or the organizational documents of Parent, in order for Parent to execute and deliver the Transaction Documents and to consummate the Merger and the other transactions contemplated hereby.

4.7. Ownership of Common Stock. None of Parent, Merger Sub or any of their respective affiliates owns (as of the date of this Agreement (in each case, directly or indirectly, beneficially or of record (including pursuant to a derivatives contract)), any Shares or other securities convertible into, exchangeable for or exercisable for Shares or any securities of any Subsidiary of the Company and none of Parent, Merger Sub or any of their respective Subsidiaries has any rights to acquire, directly or indirectly, any Shares except pursuant to this Agreement. As of the date of this Agreement, none of Parent, Merger Sub or any of their affiliates or associates is, or at any time during the last three (3) years has been, an interested stockholder of the Company, in each case as defined in Section 203 of the DGCL.

4.8. Absence of Litigation. There are no Claims pending or, to the knowledge of the Company, threatened against Guarantor, Parent or Merger Sub, other than any such Claims that would not have or reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Except as would not have or reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, there is no injunction, writ, order, award, judgment, settlement or decree imposed upon or entered into by Guarantor, Parent or Merger Sub or the properties, rights or assets of Guarantor, Parent or Merger Sub.

4.9. Debt Financing.

(a) Parent has delivered to the Company true, complete and correct copies of an executed debt financing commitment letter in effect as of the date hereof, including all exhibits, schedules, annexes and amendments thereto, and each fee letter associated therewith (collectively, the Fee Letter, and together with such debt financing commitment letter, the Debt Commitment Letter) (it being understood that the Fee Letter may be customarily redacted); provided, however, that no provisions that, or that could reasonably be expected to, adversely affect the availability of or impose additional conditions on, the availability of the Debt Financing at the Effective Time may be redacted) from the Lenders pursuant to which such Lenders have committed to provide to the Guarantor, subject to the terms and conditions therein, debt financing in the amounts set forth therein for the purposes of financing the transactions contemplated by this Agreement, and related fees and expenses and the refinancing of certain outstanding indebtedness of the Company (the Debt Financing). There are no side letters or other agreements, contracts, understandings or arrangements that could affect the availability of the Debt Financing other than as expressly set forth in the Debt Commitment Letter and the Fee Letter delivered to the Company pursuant to this Section 4.9(a).

(b) As of the date of this Agreement: (i) the Debt Commitment Letter is in full force and effect and is the legal, valid, binding and enforceable obligation of Guarantor, and, to the knowledge of Parent, each of the other parties thereto; (ii) the Debt Commitment Letter has not been amended or modified in any respect and no such amendment or

modification is contemplated or pending (other than amendments or modifications to the Debt Commitment Letter solely to add lenders, lead arrangers, bookrunners, syndication agents and similar entities); and (iii) the commitments contained in the Debt Commitment Letter have not been withdrawn,

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terminated, reduced or rescinded in any respect. As of the date of this Agreement, Guarantor has paid in full any and all fees (including commitment fees and other fees) required to be paid under the Debt Commitment Letter that are payable on or prior to the date of this Agreement.

(c) As of the date of this Agreement, there are no conditions precedent or other contingencies (including pursuant to any flex provisions in the Fee Letter or otherwise) related to the funding of the full amount (or any portion) of the Debt Financing except as expressly set forth in the Debt Commitment Letter. As of the date of this Agreement, no event has occurred which (with or without notice, lapse of time or both) could reasonably be expected to constitute a failure to satisfy a condition precedent by Guarantor or any of its affiliates.

(d) Assuming the satisfaction of the conditions set forth in Section 6.1 and Section 6.2 and that the Debt Financing is funded in accordance with the Debt Commitment Letter, the net proceeds contemplated by the Debt Commitment Letter, together with any cash on the balance sheet of the Company, will, in the aggregate, constitute the funds necessary to consummate the Merger and the other transactions contemplated by this Agreement, including payment in cash of the aggregate Merger Consideration, refinancing of the Company s indebtedness outstanding under the Existing Credit Agreement and amounts payable to holders of the Series D Preferred Stock and the Company Options in accordance with the terms of this Agreement, and to pay all related fees and expenses required to be paid by Parent and Merger Sub, and to perform their other respective obligations, under this Agreement.

(e) In no event shall the receipt or availability of any funds or financing by or to Guarantor, Parent, Merger Sub or any of their respective affiliates or any other financing transaction be a condition to any of the obligations of Parent or Merger Sub hereunder.

(f) Parent has caused to be delivered to the Company the original executed Payment Guarantee. Except as set forth in the Payment Guarantee, there are no conditions precedent to the obligations of the Issuing Bank to provide funds under the Payment Guarantee in accordance with the terms thereof.

(g) To the knowledge of Parent, the Payment Guarantee (i) has been duly executed by the Issuing Bank and (ii) is a legal, valid and binding obligation of the Issuing Bank, and in full force and effect, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and other similar Laws of general applicability affecting creditors rights and to general equitable principles, including specific performance and injunctive and other forms of equitable relief. As of the date of this Agreement, Parent has paid in full any and all commitment fees or other fees required to be paid by the date hereof pursuant to the terms of the Payment Guarantee.

4.10. Solvency. Neither Parent nor Merger Sub is entering into the transactions contemplated by the Transaction Documents with the actual intent to hinder, delay or defraud either present or future creditors. Assuming (i) the accuracy of the representations and warranties of the Company contained in Article III, (ii) the satisfaction of the conditions to Parent s and Merger Sub s obligation to consummate the Merger and (iii) that the most recent financial forecasts of the Company and its Subsidiaries made available to Parent were prepared in good faith based upon assumptions that were, at the time made, and continue to be, at the Effective Time, at and immediately after the Effective Time, and after giving effect to the Merger and the other transactions contemplated hereby, (a) the aggregate value of the assets of the Surviving Corporation and its Subsidiaries (on a consolidated basis) will exceed total liabilities (including contingent and unmatured liabilities) of the Surviving Corporation and its Subsidiaries (on a consolidated basis) at a fair valuation and at fair saleable value; (b) the Surviving Corporation will have the ability to pay its total debts and liabilities (including contingent and unmatured liabilities) as they become due in the usual course of its business; and (c) the Surviving Corporation and its Subsidiaries (on a consolidated basis) will not have an unreasonably small amount of capital with which to conduct their business.

4.11. No Other Representations or Warranties. Parent and Merger Sub acknowledge and agree that it has conducted its own independent investigation of the Company and its Subsidiaries, their respective businesses and

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the transactions contemplated hereby and, except for the representations and warranties contained in Article III, Parent and Merger Sub have not relied on and none of the Company, its Subsidiaries or any of their respective affiliates or Representatives makes or has made any representation or warranty, either express or implied, whether written or oral, concerning the Company, its Subsidiaries or any of their respective affiliates or any of their respective businesses, operations, assets, liabilities, results of operations, condition (financial or otherwise) or prospects, the transactions contemplated by this Agreement or otherwise with respect to any information provide by or on behalf of the Company, its Subsidiaries or any of their respective affiliates or Representatives. Without limiting the foregoing, each of Parent and Merger Sub further acknowledges and agrees that none of the Company or any of its stockholders, directors, officers, employees, affiliates, advisors, agents or other Representatives has made any representation or warranty concerning any estimates, projections, forecasts, business plans or other forward-looking information regarding the Company, its Subsidiaries or their respective businesses and operations, and that Parent and Merger Sub will have no claim against the Company or any of its stockholders, directors, officers, employees, affiliates, advisors, agents or other Representatives with respect thereto.

ARTICLE V

COVENANTS AND AGREEMENTS

5.1. Conduct of Business Prior to the Effective Time.

(a) Except (i) as expressly contemplated or permitted by this Agreement, (ii) as required by any applicable Law applicable to the Company or any of its Subsidiaries, (iii) as set forth on Section 5.1(a) of the Company Disclosure Schedule or (iv) with the prior written consent of Parent (which consent shall not be unreasonably withheld or delayed), during the period from the date of this Agreement to the Effective Time, (A) the Company shall, and shall cause each of its Subsidiaries to, (1) conduct its business in all material respects in the ordinary course consistent with past practice and (2) use reasonable best efforts to maintain and preserve intact its business organization, and its rights, authorizations, franchises and other authorizations issued by Governmental Entities, preserve its business relationships with Authorized Delegates, banks, customers, vendors and others doing business with it and retain the services of its officers and key employees and (B) the Company shall not, and shall not permit any of its Subsidiaries to:

(i) (A) amend or otherwise change the Company s certificate of incorporation or bylaws and (B) with respect to Subsidiaries of the Company, amend or otherwise change their applicable organizational documents in any material respect;

(ii) adjust, split, combine or reclassify any capital stock or other equity interest or enter into a plan of consolidation, merger, share exchange, share acquisition, reorganization or complete or partial liquidation with any person (other than any consolidation, merger or reorganization solely among wholly owned Subsidiaries of the Company);

(iii) issue, grant, sell, dispose of, redeem or repurchase any equity securities or equity-based award in the Company or any of its Subsidiaries, or securities convertible into, or exchangeable or exercisable for, any such equity securities or awards, or any rights of any kind to acquire any such equity securities or such convertible or exchangeable securities, other than (A) the issuance of Shares upon the exercise of Company Options or the conversion of Series D Preferred Stock, (B) upon the expiration of any restrictions on any Company RSU, (C) by a wholly owned Subsidiary of the Company to the Company or another wholly owned Subsidiary of the Company or (D) issuances of Company Options and Company RSU to employees and directors in amounts consistent with Section 5.1(a) of the Company Disclosure Schedule;

(iv) declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of Common Stock, Series D Preferred Stock or other shares of capital stock or equity interests (except for any dividend or distribution by a wholly owned Subsidiary of the Company to the Company or another wholly owned Subsidiary of the Company);

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(v) sell, exclusively license, transfer, mortgage, encumber or otherwise dispose of (whether by merger, consolidation or sale of stock or assets or otherwise), any assets, rights or businesses of the Company or its Subsidiaries (including any capital stock of any Subsidiaries), in each case other than dispositions (A) of equipment and other assets in the ordinary course of business consistent with past practice or (B) dispositions of any assets, rights or businesses or the abandonment or failure to maintain any Registered IP not exceeding $1,000,000 individually or $2,000,000 in the aggregate;

(vi) acquire (whether by merger, consolidation or acquisition of stock or assets or otherwise) any corporation, partnership or other business organization or division thereof or any assets, in each case other than (A) purchases of equipment and other assets in the ordinary course of business consistent with past practice or (B) acquisitions not exceeding $2,000,000 individually or $5,000,000 in the aggregate;

(vii) (A) incur, assume, refinance or guarantee any indebtedness for borrowed money (other than indebtedness among the Company and/or wholly owned Subsidiaries) or issue any debt securities, or assume or guarantee any indebtedness for borrowed money of any person, except for borrowings in the ordinary course of business consistent with past practice under the Company s revolving credit facility (as set forth in the Credit Agreement) in an amount not to exceed $5,000,000 outstanding at one time (with the Company permitted to replace, renew or extend such revolving credit facility prior to its expiration on September 28, 2019 on terms no less favorable, taken as a whole (including with respect to repayment and termination of such facility) than those provided in the Credit Agreement in effect as of the date of this Agreement; provided that the Company remains subject to the obligation set forth above to not borrow more than $5,000,000 outstanding at one time under such facility) or (B) enter into any swap or hedging transaction or other derivative agreement (other than a forward contract entered into in the ordinary course of business consistent with past practice);

(viii) make any loans, advances or capital contributions to, or investments in, any other person (other than to any wholly owned Subsidiary of the Company) in excess of $1,000,000 individually or $2,000,000 in the aggregate;

(ix) enter into any Contract involving or providing for the settlement of, or other arrangements with respect to, any Claims or threatened Claim (or series of related Claims) (A) with a Governmental Entity (except settlements, or other arrangements, for an immaterial monetary fine), (B) that materially restricts or imposes material obligations on the Company or (C) that involves payments by the Company or any of its Subsidiaries after the date hereof in excess of $1,000,000 individually and $2,000,000 in the aggregate (excluding any amounts that may be paid under existing insurance policies), provided that this clause (ix) shall not apply to any settlement of any suit or proceeding described in Section 5.11, which shall be governed by the provisions thereof;

(x) except in the ordinary course of business consistent with past practice, enter into, amend in any material respect, waive compliance with any material rights with respect to, or cancel or terminate any Material Contract or Contract which if entered into prior to the date hereof would be a Material Contract (with the Company to use reasonable best efforts to notify Parent promptly thereafter of any such actions (which notification may be provided by email or telephonically to representatives of Parent));

(xi) except for the expenditures contemplated by and consistent with the 2017 and 2018 capital expenditure budgets set forth on Section 5.1(a)(xi) of the Company Disclosure Schedules (the Capital Expenditure Budget), make, or commit to make, or otherwise authorize any capital expenditures in excess of $2,000,000 in 2017 or $2,000,000 in 2018;

(xii) except as required by the terms of any Plan or employment agreement in effect as of the date hereof or as disclosed in Sections 3.12(a) or 5.1(a)(xii) of the Company Disclosure Schedule: (A) increase the compensation or

benefits of any Company Employee, except, in the ordinary course of business consistent with past practice, for (1) increases to the annual rates of base salary or wages of Company Employees in an amount not to exceed 3.5% in the aggregate and (2) employee welfare benefits in the ordinary course of business consistent with past practice as part of the Company s regular annual enrollment

program; (B) grant or pay any cash bonus, change-in-control, retention bonus, severance or termination pay to any Company Employee; (C) establish, adopt, enter into, amend, terminate or grant any waiver or consent under any Plan or any plan, agreement, program, policy, trust, fund or other arrangement that would be a Plan if it were in existence as of the date of this Agreement except for (1) amendments to Plans made in the ordinary course of business consistent with past practice that do not materially increase the expense of maintaining such plan and (2) establishing or adopting Plans in the ordinary course of business consistent with past practice in connection with the Company s regular annual enrollment program; (D) grant any equity or equity-based awards; (E) hire, or terminate the employment of, any Company Employee, other than for cause, except, in each case, for individuals who have a total annual cash compensation target of less than $275,000 in the ordinary course of business consistent with past practice; (F) take any action to accelerate the vesting or time of payment of any compensation or benefit under any Plan or awards made thereunder; (G) loan or advance any money or other property to any present or former director, officer or employee of the Company or its Subsidiaries or (H) increase the funding obligation or contribution rate of any Plan subject to Title IV of ERISA;

(xiii) announce, implement or effect any reduction in force, layoff or other program resulting in the termination of employees, in each case, that would trigger the WARN Act;

(xiv) make any material changes in its methods, practices or policies of financial accounting, except as may be required under Law, rule, regulation or U.S. GAAP, in each case following consultation with the Company s independent public accountants (with the Company to use reasonable best efforts to notify Parent of any such actions promptly thereafter(which notification may be provided by email or telephonically to representatives of Parent));

(xv) (A) make or change any material Tax election, (B) file any amended Tax Returns, (C) settle or compromise any material Tax liability of the Company or any of its Subsidiaries, (D) agree to an extension or waiver of the statute of limitations with respect to the assessment or determination of Taxes of the Company or any of its Subsidiaries, (E) enter into any closing agreement with respect to any material Tax or surrender any right to claim a material Tax refund, (F) incur any material liability for Taxes outside the ordinary course of business, (G) make any material changes in its methods, practices or policies of Tax accounting;

(xvi) fail to use its reasonable best efforts to maintain in full force and effect the existing insurance policies of the Company and its Subsidiaries or to replace such insurance policies with comparable insurance policies covering the Company, its Subsidiaries and their respective properties, assets and businesses;

(xvii) fail to use its reasonable best efforts to maintain in full force and effect any Money Transmitter License required to continue to operate its business as currently operated;

(xviii) except for any changes made to comply with the Deferred Prosecution Agreement or similar changes intended to enhance the Company s compliance procedures in the ordinary course of business, (A) make any changes to the operation or protection of IT Assets related to compliance with Anti-Money Laundering Laws or regulations administered by OFAC or (B) make any material changes in the operation or protection of any material IT Assets; or

(xix) agree to, or make any commitment to, take any of the actions prohibited by this Section 5.1(a).

(b) Nothing contained in this Agreement is intended to give Parent, directly or indirectly, the right to control or direct the Company s or its Subsidiaries operations prior to the Effective Time. Prior to the Effective Time, the Company shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its and its Subsidiaries respective operations.

5.2. Access to Information.

(a) From the date of this Agreement to the Effective Time or earlier termination of this Agreement, upon reasonable notice and subject to applicable Laws (including any applicable United States and foreign

antitrust and competition Laws) relating to the exchange of information, the Company shall, and shall cause each of its Subsidiaries to, afford to the officers, employees and agents and representatives, including any investment banker, financial advisor, attorney, accountant or other advisor, agent, representative, intermediary or affiliate retained in connection with the transactions contemplated by this Agreement (collectively as to each party, its Representatives) of Parent, reasonable access, during normal business hours, and upon reasonable prior notice, to all its properties, books, Contracts, commitments and records, and to its officers, employees and Representatives, in each case in a manner not unreasonably disruptive to the normal operation of the business of the Company and its Subsidiaries, and, during such period, the Company shall, and shall cause its Subsidiaries to, make available to Parent (i) a copy of each report, schedule, registration statement and other document filed or received by it during such period pursuant to applicable Legal Requirements (including with respect to any Money Transmitter Licenses) and (ii) all other information concerning its business, properties and personnel as Parent may reasonably request; provided, however, that the Company shall not be required to provide such access or furnish such information if the Company in good faith reasonably believes that doing so would reasonably be expected to (A) result in the loss of attorney-client privilege or attorney work product privilege, (B) breach or violate any applicable Law or Legal Requirement, or (C) violate any confidentiality obligation (existing on the date hereof) with respect to such information; provided, further, that the parties agree to collaborate in good faith to make alternative arrangements to allow for such access or disclosure in a manner that does not result in the events set out in clauses (A), (B) or (C) above. No investigation by Parent or its Representatives shall constitute a waiver of or otherwise affect the representations, warranties, covenants or agreements of the Company set forth herein or otherwise affect any condition to the obligations of the parties hereto under this Agreement.

(b) All information furnished by the Company or any of its Subsidiaries or Representatives to Parent or its Representatives pursuant to this Agreement (including Section 5.2(a)) shall be subject to the provisions of the Confidentiality Agreement, dated November 11, 2016, as amended from time to time, between Parent and the Company (the Confidentiality Agreement).

5.3. Proxy Statement and Stockholder Meeting.

(a) As promptly as reasonably practicable following the date of this Agreement, the Company shall, with the assistance of Parent, prepare and file the Proxy Statement with the SEC. Subject to Section 5.4, the Proxy Statement shall include the Company Recommendation. Parent, Merger Sub and the Company will cooperate with each other in the preparation of the Proxy Statement (including the preliminary Proxy Statement). The Company shall use its reasonable best efforts, after consultation with Parent, to resolve all SEC comments with respect to the preliminary Proxy Statement as promptly as reasonably practicable after receipt thereof and to have the preliminary Proxy Statement cleared by the staff of the SEC as promptly as reasonably practicable. Each of Parent and Merger Sub agrees to promptly advise the Company if at any time prior to the Company Stockholders Meeting any information provided by it for use in the Proxy Statement is or becomes false, incomplete or misleading in any material respect and to provide the Company with the information needed to correct such inaccuracy or omission. The Company agrees to advise Parent if at any time prior to the Company Stockholders Meeting any information provided by it in the Proxy Statement is or becomes false, incomplete or misleading in any material respect and to supplement the Proxy Statement with the information needed to correct such inaccuracy or omission. The Company shall as soon as reasonably practicable notify Parent and Merger Sub of the receipt of any comments from the SEC with respect to the preliminary Proxy Statement and of any request by the SEC for any amendment to the Proxy Statement or for additional information and shall promptly provide Parent with copies of all such comments and correspondence. Prior to filing or mailing the definitive Proxy Statement (or any amendment or supplement thereto) or responding to any comments of the SEC (or the staff of the SEC) with respect thereto, the Company shall provide Parent a reasonable opportunity to review and to comment on such document or response and shall include any such comments reasonably proposed by Parent. Parent and Merger Sub shall furnish to the Company all information concerning themselves,

Guarantor, their respective Subsidiaries, directors, officers and stockholders and such other matters as may be necessary to comply with applicable Law in connection with the preparation of the Proxy Statement. The Company, Parent

and Merger Sub shall each make any filings with respect to the Merger required to be made by such party under the Securities Act and the Exchange Act and the rules and regulations thereunder.

(b) The Company shall duly take all lawful action to call, give notice of, convene and hold a meeting of its stockholders for the purpose of obtaining the Company Stockholder Approval (the Company Stockholders Meeting), and to cause the definitive Proxy Statement to be filed with the SEC and mailed to the stockholders of the Company as of the record date for the Company Stockholders Meeting, in each case as promptly as practicable following the date the SEC confirms it has no further comments to the preliminary Proxy Statement. Except to the extent there has been a Change of Recommendation in accordance with and subject to Section 5.4, the Company shall use its reasonable best efforts to solicit from its stockholders proxies in favor of approval of the Merger and secure any other approval of stockholders of the Company that is required by applicable Law in connection with the Merger; provided, however, that (A) the Company may change the date of, postpone or adjourn the Company Stockholders Meeting (but not to a date later than the End Date) to the extent that it has reasonably determined, after consultation with outside legal counsel and Parent (and its outside counsel), that such postponement or adjournment is necessary to ensure that any required supplement or amendment to the Proxy Statement is provided to the Company s stockholders within a reasonable amount of time in advance of the Company Stockholders Meeting; and (B) the Company may (and if Parent so requests, the Company shall on up to two occasions up to 10 Business Days each), change the date of, postpone or adjourn the Company Stockholders Meeting (but not to a date later than the Business Day prior to the End Date and provided that the Company shall not be required to set a new record date) if as of the time for which the Company Stockholders Meeting is scheduled (1) there are insufficient shares of Common Stock represented (either in person or by proxy) to constitute a quorum necessary to conduct the business of the Company Stockholders Meeting or (2) at such time the Company has not received proxies sufficient to allow the receipt of the Company Stockholder Approval at the Company Stockholders Meeting. The Company shall keep Parent updated with respect to proxy solicitation results as reasonably requested by Parent. Notwithstanding anything to the contrary contained in this Agreement and prior to the termination of this Agreement in accordance with Article VII, the obligation of the Company to duly call, give notice of, convene and hold the Company Stockholders Meeting and mail the definitive Proxy Statement (and any amendment or supplement that may be required by Law) to the Company s stockholders shall not be affected by a Change of Recommendation. In addition to the foregoing, the Company shall not submit to the vote of its stockholders any Company Acquisition Proposal other than the Merger prior to the termination of this Agreement in accordance with Article VII.

5.4. No Solicitation.

(a) Until the Effective Time or, if earlier, the date on which this Agreement is terminated in accordance with Article VII, the Company shall not, and the Company shall cause its Subsidiaries not to, and shall use reasonable best efforts to cause its and its Subsidiaries respective directors, officers, employees and Representatives not to, directly or indirectly, (i) initiate, solicit, knowingly encourage or knowingly facilitate (including by way of providing information) the submission of any inquiries, proposals or offers that constitute or would reasonably be expected to lead to any Company Acquisition Proposal, (ii) have any discussions or negotiations with or provide any confidential information or data to any person relating to a Company Acquisition Proposal, or engage in any negotiations concerning a Company Acquisition Proposal, (iii) withdraw, change, amend, modify or qualify, or otherwise propose publicly to withdraw, change, amend, modify or qualify, in a manner adverse to Parent, the Company Recommendation or approve or recommend, or propose publicly to approve or recommend, any Company Acquisition Proposal (any act described in this clause (iii), a Change of Recommendation), or (iv) approve or recommend, or propose to approve or recommend, or execute or enter into, any letter of intent or other document or Contract related to any Company Acquisition Proposal (other than an Acceptable Confidentiality Agreement as provided in this Section 5.4(b)) or enter into any letter of intent or other document or Contract requiring the Company to abandon, terminate or fail to consummate the transactions contemplated hereby or breach its obligations hereunder (any such

letter of intent or other document or Contract, an Alternative Acquisition Agreement). The Company will, and will cause its Subsidiaries and its and its Subsidiaries directors, officers, employees and Representatives to, immediately cease and cause to be terminated

any discussions or negotiations conducted with any persons other than Parent with respect to any Company Acquisition Proposal, including immediately revoking or withdrawing access of any person other than Parent and its directors, officers, employees and Representatives to any data room (virtual or actual) containing any non-public information with respect to the Company or its Subsidiaries previously furnished with respect to a Company Acquisition Proposal. The Company shall not terminate, waive, amend or modify any provision of any standstill or confidentiality agreement to which the Company is a party, in each case, with respect to the submission of any Company Acquisition Proposal.

(b) Notwithstanding the foregoing provisions of Section 5.4(a), prior to the time the Company Stockholder Approval is obtained, if the Company, any of its Subsidiaries or any of their Representatives receives an unsolicited *bona fide* written Company Acquisition Proposal that did not result from a breach of this Section 5.4 and the Company Board concludes in good faith (after consultation with the Company s outside legal and financial advisors) that such Company Acquisition Proposal constitutes a Company Superior Proposal or could reasonably be expected to result in a Company Superior Proposal, the Company may, and may permit its Subsidiaries and its and their directors, officers, employees and Representatives, to (i) enter into and maintain discussions or negotiations with the person making such Company Acquisition Proposal and (ii) furnish non-public information and afford access to the business, employees, officers, Contracts, properties, assets, books and records of the Company and its Subsidiaries to the person making such Company Acquisition Proposal; provided, however, that (A) prior to providing (or causing to be provided) such information or affording such access to, or entering into or maintaining such discussions or negotiations with, such person, the Company shall have entered into an Acceptable Confidentiality Agreement with such person and (B) the Company will provide to Parent any non-public information relating to the Company or any of its Subsidiaries that was not previously provided or made available to Parent as promptly as reasonably practicable (but in any event within one (1) day) after providing (or causing to be provided) any such information to such person making such Company Acquisition Proposal.

(c) The Company shall notify Parent orally and in writing promptly (but in any event within two (2) days) (i) after receipt of any Company Acquisition Proposal (or any proposal or offer that constitutes or could reasonably be expected to lead to a Company Acquisition Proposal), which notice shall include the identity of the person making such proposal or offer, a summary of the material terms of all such proposals or offers and copies of drafts of proposed agreements, term sheets or letters of intent related thereto, (ii) of any change to the financial or other material terms and conditions of any Company Acquisition Proposal and the Company shall otherwise keep Parent reasonably informed of the status of any such Company Acquisition Proposal (including by providing copies of all proposals, offers and drafts of proposed agreements related thereto that have not already been provided pursuant to clause (i) above) and (iii) after receipt of any request for non-public information relating to it or any of its Subsidiaries or for access to its or any of its Subsidiaries properties, books or records by any person in connection with a Company Acquisition Proposal (or any proposal or offer that constitutes or could reasonably be expected to lead to a Company Acquisition Proposal). Neither the Company nor any of its Subsidiaries shall, after the date of this Agreement, enter into any confidentiality or similar agreement that would prohibit it from providing such information to Parent.

(d) Prior to the time the Company Stockholder Approval is obtained, the Company Board may terminate this Agreement in accordance with Section 7.1(h) in order to enter into a binding definitive agreement to effect a transaction constituting a Company Superior Proposal (and make a Change of Recommendation with respect thereto), if and only if:

(i) the Company receives a Company Acquisition Proposal that did not result from a breach of Section 5.4(a) and the Company Board determines in good faith (after consultation with the Company s outside legal and financial advisors) that such Company Acquisition Proposal constitutes a Company Superior Proposal;

(ii) the Company provides Parent prior written notice of the Company s intention to terminate this Agreement pursuant to Section 7.1(h) (a Superior Proposal Notice), which notice shall identify the person

making such Company Superior Proposal and include the material terms and conditions of such Company Superior Proposal, including copies of any written proposals or offers and any proposed agreements related thereto;

(iii) for at least four (4) Business Days after Parent s receipt of such Superior Proposal Notice (such minimum period, the Notice Period), the Company has negotiated, and has caused its financial and legal advisors (and other Representatives) to negotiate, with Parent in good faith (to the extent Parent desires to negotiate) to make such adjustments in the terms and conditions of this Agreement so that such Company Acquisition Proposal ceases to constitute a Company Superior Proposal (it being understood and agreed that any revision to the financial terms or any other material term of such Company Superior Proposal shall require a new Superior Proposal Notice and the Company shall be required to comply again with the provisions of this Section 5.4(d) with respect to such new notice, except that such Notice Period shall be two (2) Business Day (rather than four (4) Business Days)); and

(iv) at the end of the period (or periods) referred to in clause (iii) above, the Company Board has concluded in good faith (after consultation with the Company s outside legal and financial advisors) that such Company Acquisition Proposal still constitutes a Company Superior Proposal after giving effect to all of the adjustments which may be offered by Parent pursuant to clause (iii) above and that a failure to terminate this Agreement in order to enter into a definitive agreement with respect to such Company Superior Proposal would be inconsistent with its fiduciary duties under applicable Law.

(e) Other than in connection with a Company Acquisition Proposal (which shall be subject to Section 5.4(d) and shall not be subject to this Section 5.4(e)), prior to the time the Company Stockholder Approval is obtained, the Company Board may make a Change of Recommendation if and only if (i) prior to taking such action, the Company Board determines in good faith, after consultation with the Company s outside legal and financial advisors, that failure to take such action would inconsistent with its fiduciary duties to the Company s stockholders under applicable Law; (ii) the Company provides Parent prior written notice of the Company s intention to make a Change of Recommendation (a Change of Recommendation Notice), which notice shall specify in reasonable detail the reasons for such Change of Recommendation; (iii) for at least three (4) Business Days after Parent s receipt of a Change of Recommendation Notice, the Company has negotiated, and has caused its financial and legal advisors (and other Representatives) to negotiate, with Parent in good faith (to the extent Parent desires to negotiate) to make such adjustments in the terms and conditions of this Agreement in such a manner that the failure to make a Change of Recommendation would no longer be reasonably likely to be a violation of the Company Board s fiduciary duties under applicable Law; and (iv) at the end of the period referred to in clause (iii) above, the Company Board has concluded in good faith (after consultation with the Company s outside legal and financial advisors) that failure to make a Change of Recommendation would be inconsistent with its fiduciary duties under applicable Law after giving effect to all of the adjustments which may be offered by Parent pursuant to clause (iii) above.

(f) Nothing contained in this Agreement shall prevent the Company or the Company Board from (i) taking and disclosing a position contemplated by Rule 14e-2(a) under the Exchange Act or complying with the provisions of Rule 14d-9 Item promulgated under the Exchange Act with respect to a Company Acquisition Proposal (it being agreed that the issuance by the Company or the Company Board of a stop, look and listen or similar communication of the type contemplated by Rule 14d-9(f) under the Exchange Act shall not in and of itself constitute a Change of Recommendation) or (ii) making any disclosure to the Company s stockholders if the Company Board determines in good faith (after consultation with its outside legal advisors) that the failure to make such disclosure would be inconsistent with its fiduciary duties under applicable Law (including any legally required disclosure to stockholders with regard to the transactions contemplated by this Agreement or a Company Acquisition Proposal)(it being agreed that this clause (ii) shall in no way eliminate or modify the effect that any such disclosure would otherwise have under this Agreement); provided, that in no event shall the Company or the Company Board make a Change of Recommendation except as provided in Section 5.4(e) and any public disclosure by the Company or the Company

Board relating to any determination or other action by the Company Board with respect to any Company Acquisition Proposal shall be deemed to be a Change of Recommendation unless the Company Board expressly and concurrently reaffirms the Company Recommendation.

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5.5. Reasonable Best Efforts.

(a) Subject to the terms and conditions of this Agreement, each of Parent, Merger Sub and the Company shall use their reasonable best efforts to take, or cause to be taken, all actions necessary, proper or advisable to (i) consummate the transactions contemplated hereby and to cause the conditions set forth in Article VI to be satisfied as promptly as practicable and, in any event, on or before the End Date, (ii) prepare as promptly as practicable (and file, submit or effect, as applicable) all necessary applications, notices, petitions, filings, ruling requests and other documents in order to obtain (and to cooperate with the other parties to obtain) any Approval from any Governmental Entity which is required to be obtained by Parent, Merger Sub, the Company or its Subsidiaries in connection with the transactions contemplated by this Agreement, including as may be required under any Money Transmitter Requirements, (iii) comply promptly with all Legal Requirements which may be imposed on such party with respect to the transactions contemplated by this Agreement, (iv) defend all lawsuits or other legal, regulatory, administrative or other proceedings to which it (or with respect to the Company, its Subsidiaries is) a party challenging or affecting this Agreement or the consummation of the transactions contemplated by this Agreement, in each case until the issuance of a final, non-appealable order with respect to each such lawsuit or other proceeding, (v) seek to have lifted or rescinded any injunction or restraining order which may adversely affect the ability of the parties to consummate the transactions contemplated by this Agreement, in each case until the issuance of a final, non-appealable order with respect thereto and (vi) seek to resolve any objection or assertion by any Governmental Entity challenging this Agreement or the transactions contemplated hereby. In furtherance of the foregoing, the Company, Parent and Merger Sub agree to, as promptly as practicable after the date hereof: (A) make (or cause to be made) an appropriate filing of a Notification and Report Form pursuant to the HSR Act, which filing shall in any event be made within twenty (20) Business Days following the date hereof, (B) submit to the Committee on Foreign Investment in the United States (CFIUS) a draft of a joint voluntary notice of the transaction contemplated by this Agreement (the CFIUS Notice), which submission shall in any event be made within twenty (20) Business Days following the date hereof, (C) subject to the final sentence of this Section 5.5(a), make such filings and submissions as set forth on Section 5.5(a)(C) of the Company Disclosure Schedules (and such other filings and submissions not set forth on Section 5.5(a)(C) of the Company Disclosure Schedules) in each case to the extent required by applicable Money Transmitter Requirements with respect to obtaining Approvals related to Money Transmitter Licenses of the Company or its Subsidiaries (the Money Transfer Change of Control Filings), and (D) make such filings contemplated by applicable foreign competition Laws as set forth on Section 5.5(a) of the Company Disclosure Schedules. With respect to the draft CFIUS Notice, Parent, Merger Sub and the Company shall use reasonable best efforts to provide any requested supplemental information and other related information pursuant to Section 721 of Title VII of the Defense Production Act of 1950, as amended (50 U.S.C. § 4501 *et seq.*) (the Defense Production Act) as promptly as practicable, and to submit a final CFIUS Notice and other related information pursuant to the Defense Production Act as promptly as practicable after receiving any comments to the draft CFIUS Notice. With respect to the Money Transfer Change of Control Filings, each of Parent, Merger Sub and the Company agrees to use its reasonable best efforts and cooperate with the other parties (a) in timely making inquiries with Governmental Entities regarding the Money Transfer Change of Control Filings, (b) in determining if any Money Transfer Change of Control Filings are not required by Governmental Entities, and (c) in timely making all Money Transfer Change of Control Filings (except with respect to such jurisdictions where the parties agree that a Money Transfer Change of Control Filing is not required).

(b) Subject to the other provisions of this Agreement, including those set forth elsewhere in this Section 5.5, each of the Company, on the one hand, and Parent and Merger Sub, on the other hand, shall (i) cooperate with the other parties hereto and use reasonable best efforts to take, or cause to be taken, all actions necessary, proper or advisable to obtain as promptly as practicable all Approvals of all third parties and Governmental Entities which are necessary or advisable to consummate the transactions contemplated by this Agreement (including, for the avoidance of doubt, with respect to all Money Transfer Change of Control Filings required in accordance with Section 5.5(a)), (ii) to the

extent permitted by applicable Legal Requirements, promptly inform the other party or parties of any substantive communication (oral and written) received by such party from, or given by such party to, any Governmental Entity with respect to any such filing or Approval or the

transactions contemplated by this Agreement (including keeping the other parties apprised, on a current basis of the status of such filing or Approval, including the Money Transfer Change of Control Filings), and of any substantive communication received or given in connection with any legal proceeding by a private party regarding the Merger, (iii) to consult with the other party or parties (subject to applicable Legal Requirements relating to the exchange of information) in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any party relating to proceedings with respect to any such Approvals or the transactions contemplated by this Agreement; (v) to use reasonable best efforts to furnish to the other party or parties and, upon request, to any Governmental Entities such information and assistance as may be reasonably requested in connection with the foregoing, including by responding promptly to and using reasonable best efforts to comply fully with any request for additional information or documents under any applicable Law; (v) not independently participate in any meeting (including substantive telephonic meetings) with any Governmental Entity in respect of any Approval without giving the other party or parties sufficient prior notice of the meeting and, to the extent permitted by such Governmental Entity, the opportunity to attend and/or participate in such meeting (including substantive telephonic meetings) and (vi) to use reasonable best efforts to comply with the terms and conditions of all such Approvals of all such third parties and Governmental Entities. Parent and the Company shall promptly advise each other upon receiving any communication from any Governmental Entity whose consent, non-objection or approval is required for consummation of the transactions contemplated by this Agreement which causes such party to believe that there is a reasonable likelihood that any consent, non-objection or approval will not be obtained or that the receipt of any such approval will be materially delayed or conditioned. Notwithstanding anything in this Section 5.5 to the contrary, materials provided by or on behalf of Parent to the Company or its counsel or the Company to Parent or its counsel may be redacted to the extent necessary (a) to remove references concerning Parent s or the Company s valuation analyses with respect to the Company and its Subsidiaries, (b) as necessary to comply with Contracts in effect on the date hereof or (c) to removal personal, proprietary and other confidential business information.

(c) Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement shall require (or be deemed to require) Parent or any of its affiliates to agree to or take (nor shall the Company or its Subsidiaries, without Parent s prior written consent, take or agree to take) any action with respect to the matters set forth in this Section 5.5 that would have or reasonably be expected to have, individually or in the aggregate, a material adverse effect on (A) the financial condition or result of operations of the Company and its Subsidiaries, taken as a whole or (B) the financial condition or result of operations of Ant Small and Micro Financial Services Group Co. Ltd and its Subsidiaries, taken as a whole (but assuming for purposes of this clause (B) that the business and operations of Ant Small and Micro Financial Services Group Co. Ltd and its Subsidiaries, taken as a whole, were of the same size and magnitude as the business and operations of the Company and its Subsidiaries, taken as a whole) (any such arrangements, conditions or restrictions set forth in clauses (A) or (B), a Burdensome Condition). Furthermore, notwithstanding anything in this Agreement to the contrary, nothing in this Agreement shall require (or be deemed to require) Parent or any of its affiliates to sell, to hold separate or otherwise dispose of, any assets or business of Parent or its affiliates, including those of the Company and its Subsidiaries following the Closing. For the avoidance of doubt, Parent and its affiliates and the Company and its Subsidiaries shall not be required (and without the prior consent of Parent, the Company and its Subsidiaries shall not), take any action with respect to any order or any applicable Law or in order to obtain any Approval which is not conditioned upon the consummation of the Merger. Prior to Parent being entitled to invoke a Burdensome Condition, the parties and their respective Representatives shall meet and confer in good faith in order to (x) exchange and review their respective views and positions as to such Burdensome Condition and (y) discuss and present to, and engage with, the applicable Governmental Entity regarding any potential approaches or workarounds that would avoid such Burdensome Condition or mitigate its impact so it is no longer a Burdensome Condition.

(d) Without limiting the generality of anything contained in this Section 5.5 but subject in all respects to Section 5.5(c), each party hereto shall use their respective reasonable best efforts to obtain any consents or approvals from any persons (other than Governmental Entities) that are necessary or advisable in connection with

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the transactions contemplated by this Agreement. In the event that the parties hereto shall fail to obtain any such third party consent, the Company shall use its reasonable best efforts, and shall take such actions as are reasonably requested by Parent, to minimize any adverse effect upon the Company and its Subsidiaries resulting, or which would reasonably be expected to result, after the Effective Time, from the failure to obtain such consent. Notwithstanding anything to the contrary in this Agreement, in connection with obtaining any such approval or consent from any persons (other than Governmental Entities) with respect to any transaction contemplated by this Agreement, (i) none of the Company or any of its Subsidiaries shall be required to, or, without the prior written consent of Parent, shall, pay or commit to pay to such person whose approval or consent is being solicited any cash or other consideration, make any commitment or incur any liability or other obligation due to such person and (ii) none of Parent, Merger Sub or any of their affiliates shall be required to pay or commit to pay to such person whose approval or consent is being solicited any cash or other consideration, make any commitment or incur any liability or other obligation.

5.6. Employees; Employee Benefit Plans.

(a) During the period from the Effective Time until the first anniversary thereof, Parent shall or shall cause the Surviving Company to provide to the Company Employees who are employees of the Company or a Subsidiary of the Company at the Effective Time (such Company Employees, Continuing Employees), compensation and benefits that are no less favorable, in the aggregate, to those provided to the Continuing Employees immediately prior to the Closing (excluding equity, equity-based and long-term incentive compensation and excluding defined benefit pension plan benefits), while such Continuing Employees remain employed by the Company or a Subsidiary. During the period from the Effective Time until the first anniversary thereof, Parent shall or shall cause the Surviving Company to provide the severance payments and benefits set forth in the MoneyGram International, Inc. Severance Plan, as it is in effect as of the signing of this Agreement (the Severance Plan) for Continuing Employees who are terminated during such period.

(b) With respect to each applicable employee welfare and retirement benefit plan sponsored or maintained by Parent or the Surviving Company (the Parent Plans), if any, for purposes of determining eligibility to participate, vesting, entitlement to benefits and vacation entitlement (but not for accrual of benefits under any defined benefit pension plan or post-retirement welfare benefit plan), service with the Company or any Subsidiary (or any predecessor entity thereto) shall be treated as service with Parent to the same extent recognized by the Company under an comparable Plan; provided, however, that such service shall not be recognized to the extent that such recognition would result in a duplication of benefits. Such service also shall apply for purposes of satisfying any waiting periods, evidence of insurability requirements, or the application of any pre-existing condition limitations with respect to any Parent Plan. Each Parent Plan shall waive pre-existing condition limitations and eligibility waiting periods to the same extent waived under the applicable Plan. The Continuing Employees shall be given credit for amounts paid under a corresponding Plan of the Company or any Subsidiary during the same period for purposes of applying deductibles, co-payments and out-of-pocket maximums as though such amounts had been paid in accordance with the terms and conditions of the Parent Plan during the applicable plan year.

(c) The Company and Parent acknowledge and agree that all provisions contained in this Section 5.6 are for the sole benefit of the parties to this Agreement and nothing herein, expressed or implied, is intended or shall be construed to confer upon or give to any person (including, for the avoidance of doubt, any current or former employees, officers or directors of the Company or any of its Subsidiaries, Parent or any of its Subsidiaries, or on or after the Effective Time, the Surviving Company or any of its Subsidiaries), other than the parties hereto, any legal or equitable or other rights or remedies with respect to matters provided for in this Section 5.6. Nothing in this Agreement shall be construed as requiring Parent or the Surviving Company or any of its affiliates to provide employment, or to guarantee or any continued compensation, employee benefits or other rights, to any Company Employee, or to continue any specific Plan. Nothing contained herein, whether express or implied, shall be construed as an amendment or modification of

any employee benefit plan, program, arrangement or agreement.

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5.7. Indemnification; Directors and Officers Insurance.

(a) From and after the Effective Time, Parent shall cause the Surviving Company to indemnify and hold harmless, as and to the fullest extent provided in the certificate of incorporation and bylaws of the Company as in effect on the date of this Agreement and permitted by applicable Law, all past and present directors and officers of the Company or any of its Subsidiaries (collectively, the Indemnified Parties) against any losses, claims, damages, liabilities, costs, expenses (including reasonable attorneys fees and expenses in advance of the final disposition of any claim, suit, proceeding or investigation to each Indemnified Party upon receipt of an undertaking from such Indemnified Party to repay such advanced expenses if it is determined by a final and non-appealable judgment of a court of competent jurisdiction that such Indemnified Party was not entitled to indemnification hereunder), judgments, fines and amounts paid in settlement in connection with any actual or threatened claim, action, suit, proceeding or investigation, whether civil, criminal or administrative (in each case whether asserted or claimed before or after the Effective Time) arising out of acts or omissions occurring at or prior to the Effective Time in connection with such Indemnified Person serving as a director or officer of the Company or any of its Subsidiaries (including in connection with an Indemnified Person serving at the request of the Company or any of its Subsidiaries as a director, officer, employee, trustee or partner of another corporation, partnership, trust, joint venture, employee benefit plan or other entity and including acts or omissions occurring in connection with this Agreement and the transactions contemplated hereby).

(b) For a period of six (6) years after the Effective Time, Parent shall maintain or cause the Surviving Company to maintain for the benefit of the Indemnified Persons a directors and officers liability insurance policy (from the Company s current insurance carrier or an insurance carrier with the same or better credit rating, as of the Closing Date, as the Company s current insurance carrier) that provides coverage for acts or omissions occurring prior to the Effective Time (the D&O Insurance) with terms and conditions which are, in the aggregate, not less advantageous to such Indemnified Persons than the terms and conditions of the existing directors and officers liability insurance policy of the Company; provided that, at Parent s option, in lieu of the foregoing insurance coverage, Parent or, with Parent s consent, the Company may at or prior to the Effective Time substitute therefor a single premium tail coverage with respect to the D&O Insurance that provides coverage for period of six (6) years after the Effective Time, with terms and conditions which are, in the aggregate, not less advantageous to such Indemnified Persons than the terms and conditions of the existing directors and officers liability insurance policy of the Company. Notwithstanding the foregoing, in no event will Parent be required to expend, in the aggregate, an amount in excess of 300% of the annual premiums currently paid by the Company for the existing directors and officers liability insurance policy of the Company (the Insurance Amount), and if Parent is unable to maintain or obtain the insurance called for by this Section 5.7(b) for an amount equal to or less than the Insurance Amount, Parent shall obtain as much comparable insurance as may be available for the Insurance Amount.

(c) If Parent, the Surviving Corporation or any of its successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving company or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any person, then, and in each such case, to the extent required, proper provision shall be made so that the successors and assigns of Parent or the Surviving Corporation shall assume the obligations set forth in this Section 5.7.

(d) The rights of each Indemnified Person under this Section 5.7 shall be in addition to any rights such person may have under the certificate of incorporation or bylaws of the Company or any of its Subsidiaries, under Delaware law or any other applicable Law or pursuant to any employment agreement or indemnification agreement in effect on the date hereof.

(e) For a period of six (6) years from the Effective Time, Parent shall not permit any amendments to the certificate of incorporation, bylaws or other organizational documents of the Company or its Subsidiaries that would adversely

affect any right of a person who was or is a director or officer of the Company or its Subsidiaries at or prior to the Effective Time with respect to elimination of liability of directors, indemnification

of officers, directors and employees and advancement of expenses under the Company s and its Subsidiaries certificate of incorporation, bylaws or other organizational documents in effect as of the date hereof.

(f) The provisions of this Section 5.7 are intended to be, following the Effective Time, for the benefit of, and shall be enforceable by, each Indemnified Party and his or her heirs and personal representatives.

5.8. Publicity. Except with respect to any Change of Recommendation or any other action taken by the Company or the Company Board (or duly constituted committee of the Board) pursuant to, and in accordance with, Section 5.4, so long as this Agreement is in effect, each of Parent and the Company shall consult with each other before issuing any press release or public statement with respect to this Agreement, the Merger or the other transactions contemplated hereby and shall not issue any such press release or make any such public statement without the prior consent of the other party, which shall not be unreasonably withheld, delayed or conditioned; provided, however, that a party may, without obtaining the prior consent of the other party (but after prior consultation, to the extent practicable in the circumstances), issue such press release or make such public statement as may upon the advice of outside counsel be required by applicable Law or the rules and regulations of NASDAQ. Without limiting the reach of the preceding sentence, Parent and the Company shall use reasonable efforts to cooperate to develop all public announcement materials and make appropriate management available at presentations related to the transactions contemplated by this Agreement as reasonably requested by the other party. In addition, the Company and its Subsidiaries shall consult with Parent regarding communications with customers, stockholders, prospective investors and employees related to the transactions contemplated hereby.

5.9. Notice of Certain Matters. Each party hereto shall give reasonably prompt written notice to the other party hereto, if to such party s knowledge, (a) any representation or warranty made by it contained in this Agreement becomes untrue or inaccurate such that it would be reasonable to expect that the applicable closing conditions would be incapable of being satisfied by the End Date or (b) it fails to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it under this Agreement; provided that, (i) nothing in this Section 5.9 shall be deemed to affect, modify or condition the obligations of each party to effect the Closing and (ii) each party s obligations, actions or inactions pursuant to this Section 5.9 shall be deemed excluded for purposes of determining whether the conditions set forth in either Section 6.2(b) or Section 6.3(b) have been satisfied.

5.10. Anti-takeover Laws. If any state takeover Law or similar Law becomes applicable to this Agreement, the Merger, the Voting and Support Agreements or any of the other transactions contemplated by this Agreement, the Company shall use reasonable best efforts to take such actions as necessary so that the Merger and the other transactions contemplated by this Agreement and the Voting and Support Agreements may be consummated as promptly as practicable on the terms contemplated by this Agreement and the Voting and Support Agreements and otherwise to minimize the effect of such Law on this Agreement, the Merger and the other transactions contemplated by this Agreement and the Voting and Support Agreements.

5.11. Stockholder Litigation. Prior to the Effective Time, in the event that any litigation or other Claim of any stockholder related to this Agreement, the Merger or the other transactions contemplated by this Agreement is initiated, or to the knowledge of the Company, threatened against any of the Company or its Subsidiaries and/or the members of the Company Board (or of any equivalent governing body of any Subsidiary of the Company) prior to the Effective Time, the Company shall promptly notify Parent of any such litigation or other Claim and shall keep Parent reasonably informed on a current basis with respect to the status thereof. The Company shall consult with Parent on a regular basis with respect to, and shall give Parent the opportunity to participate, at Parent s expense, in the defense or settlement of, any such litigation or Claims, and no such settlement or compromise shall be agreed to without Parent s prior written consent (such consent not to be unreasonably withheld or delayed).

5.12. NASDAQ Delisting. Prior to the Closing Date, the Company shall cooperate with Parent and use its reasonable best efforts to take, or cause to be taken, all actions, and do or cause to be done all things, reasonably

necessary, proper or advisable on its part under applicable Law and the rules and policies of NASDAQ to enable the delisting by the Surviving Corporation of Common Stock from NASDAQ and the deregistration of the Common Stock under the Exchange Act as promptly as practicable after the Effective Time. The Surviving Corporation shall use reasonable best efforts to cause the Common Stock to no longer be quoted on the NASDAQ and deregistered under the Exchange Act as soon as practicable following the Effective Time.

5.13. Section 16 Matters. Prior to the Effective Time, the Company shall take all actions reasonably necessary, including adopting resolutions, to cause the transactions contemplated by this Agreement and any other dispositions of equity securities of the Company (including derivative securities) in connection with the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act to be exempt under Rule 16b-3 under the Exchange Act. Prior to taking the actions required by this Section 5.13, the Company will provide Parent copies of any resolutions or other documentation with respect to such actions and the Company shall give consideration to all reasonable additions, deletions or changes suggested thereto by Parent.

5.14. Directors. Unless otherwise requested in writing by Parent, the Company shall use reasonable best efforts to obtain the resignation of all of the members of the Company Board who are in office immediately prior to the Effective Time (and if requested in writing by Parent, the Company shall use reasonable best efforts to obtain the resignation of any members of the board of directors (or any equivalent body) of any of the Subsidiaries of the Company), which resignations shall be effective at, and conditioned upon the occurrence of, the Effective Time. The Company will cooperate with Parent and use its reasonable best efforts to provide that the individuals that Parent may designate prior to the Effective Time to serve as members of the board of directors of the Surviving Company or the board of directors (or any equivalent body) of any Subsidiary of the Company, shall be appointed as directors of the Company or directors (or such equivalent positions) of any such designated Subsidiary, in each case effective at, and conditioned upon the occurrence of, the Effective Time.

5.15. Financing Assistance from Company.

(a) Prior to the Closing and provided that it shall not unreasonably interfere with the business or ongoing operations of the Company or any of its Subsidiaries, the Company shall, and shall cause each of its Subsidiaries to, and shall use its reasonable best efforts to cause its Representatives to, use reasonable best efforts to provide all cooperation reasonably requested by Guarantor in connection with the arrangement of the Debt Financing, which reasonable best efforts shall include:

(i) furnishing the Required Information;

(ii) participating in (including using its reasonable best efforts to cause the members of senior management and the Representatives of the Company to participate in) a reasonable number of meetings, conference calls, presentations, meetings and calls with the Lenders and prospective lenders and sessions with rating agencies in connection with the Debt Financing, and assisting with the preparation of materials for rating agency presentations, bank information memoranda (including, to the extent necessary, assistance in preparation of an additional bank information memorandum that does not include material non-public information) and similar documents required in connection with the Debt Financing, including using reasonable best efforts to cause the execution and delivery of reasonable and customary representation letters in connection with such materials;

(iii) cooperating reasonably with the Lenders due diligence, to the extent customary and reasonable, in connection with the Debt Financing;

(iv) (A) assisting in the preparation of, and executed and delivering, one or more credit or other agreements, as well as any pledge and security documents, and any other definitive financing documents, collateral filings or other certificates or documents as may be reasonably requested by Guarantor and otherwise facilitating the pledging of collateral (including delivery of original stock certificates, if any, together with customary stock powers executed in blank, with respect to the Company and each of its

Subsidiaries that are required by the definitive financing documents for the Debt Financing to be delivered in order to perfect the security interests of the Lenders in such collateral), (B) facilitating the taking of all corporate actions by the Company and its Subsidiaries with respect to entering into such definitive financing documents and necessary to permit consummation of the Debt Financing and (C) using reasonable best efforts to obtain documents requested by Guarantor relating to repayment of the indebtedness under the Credit Agreement and the release of the related Liens, including customary payoff letters and (to the extent required) evidence that notice of such repayment has been timely delivered to the Existing Lenders;

(v) providing at least five (5) Business Days prior to Closing all documentation and other information about the Company that is reasonably requested by the Lenders in writing at least ten (10) Business Days prior to Closing as the Lenders reasonably determine is required by applicable know your customer and anti-money laundering rules and regulations including without limitation the USA PATRIOT Act;

provided in each case that none of the Company or any of its Subsidiaries shall be required to enter into any agreement or deliver any guaranty, mortgage, collateral filing, blocked account control agreement, certificate, document or other instrument, in each case unless the effectiveness of which is contingent upon the Closing.

(b) The Company hereby consents to the use of its and its Subsidiaries logos solely for the purpose of obtaining the Debt Financing; provided that such logos are used solely in a manner that is not intended to or reasonably likely to harm or disparage the Company or any of its Subsidiaries or the reputation or goodwill of the Company or any of its Subsidiaries or any of their respective Intellectual Property rights therein.

(c) Nothing in this Agreement, (including this Section 5.15) shall (i) require any such cooperation to the extent that it would (A) require the Company or any of its Subsidiaries to enter into or approve any agreement or other documentation effective prior to the Closing or agree to any change or modification of any existing agreement or other documentation (including pursuant to clause (d) below) that would be effective prior to the Closing, (B) require the Company, or any of its Subsidiaries or any of their respective boards of directors (or equivalent bodies) to approve or authorize the Debt Financing prior to the occurrence of the Effective Time, (C) cause any condition to the Closing set forth in Section 6.1 or Section 6.2 to not be satisfied or otherwise cause any breach of this Agreement or (D) reasonably be expected to conflict with or violate the Company s or its Subsidiaries respective charter documents or any applicable Law in any material respect, or result in the contravention of, or result in a violation or breach of, or default under, any material contract or (ii) require the Company or any Subsidiary to cause the delivery of legal opinions or reliance letters or any certificate as to solvency. No action, liability or obligations (including any obligation to pay any commitment, amendment or other fees or reimburse any expenses) of the Company, its Subsidiaries, or any of their respective Representative under any certificate, agreement, arrangement, document or instrument relating to the Debt Financing (other than the obligations set forth in this Agreement) shall be effective until the Closing. Guarantor shall, promptly upon the request of the Company, reimburse, indemnify and hold harmless the Company and the Company Subsidiaries and their respective Representatives from an against any and all losses, damages, claims and out-of-pocket costs or expenses suffered or incurred by any of them in connection with the Debt Financing and any information utilized in connection therewith (other than with respect to written information provided by the Company or any of its Subsidiaries that resulted in liability).

(d) Promptly following Parent s request, the Company shall take the actions set forth in Section 5.15(d) of the Company Disclosure Schedules.

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ARTICLE VI

CONDITIONS PRECEDENT

6.1. Conditions to Each Party s Obligation to Effect the Merger. The respective obligations of each party to effect the Merger shall be subject to the satisfaction or (to the extent permitted by applicable Law) waiver by such party at or prior to the Effective Time of the following conditions:

(a) Stockholder Approval. The Company shall have obtained the Company Stockholder Approval in connection with the adoption of this Agreement.

(b) HSR. The waiting period (and any extension thereof) applicable to the consummation of the Merger under the HSR Act shall have expired or been terminated.

(c) CFIUS. The CFIUS Approval shall have been obtained (and all conditions to such approval required to be satisfied as of Closing shall have been satisfied or waived) and shall remain in full force and effect.

(d) No Injunctions or Restraints; Illegality. (i) No injunction, writ, order, award, judgment, settlement or decree or other legal restraint or prohibition issued by any Governmental Entity of competent jurisdiction preventing the consummation of the Merger or any of the other transactions contemplated by this Agreement shall be in effect and (ii) no Law shall have been enacted, entered, promulgated or enforced by any Governmental Entity of competent jurisdiction which prohibits or makes illegal the consummation of the Merger.

6.2. Conditions to Obligations of Parent. The obligation of Parent and Merger Sub to effect the Merger is also subject to the satisfaction or waiver by Parent at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. (i) The representations and warranties of the Company contained in Section 3.1(a), Section 3.3, Section 3.7(a), Section 3.21 and Section 3.22 shall be true and correct in all respects as of the date of this Agreement and at and as of the Closing Date as if made on and as of the Closing Date (except to the extent any such representations and warranties expressly relate to a specified date, in which case such representations and warranties shall be true and correct as of such specified date), (ii) the representations and warranties of the Company contained in Section 3.2(a), Section 3.2(b) and Section 3.2(c) shall be true and correct in all but *de minimis* respects as of the date of this Agreement and at and as of the Closing Date as if made on and as of the Closing Date (except to the extent any such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be so true and correct as of such earlier date), (iii) the representations and warranties contained in Section 3.2(d) through Section 3.2(g) shall be true and correct in all material respects as of the date of this Agreement and at and as of the Closing Date as if made on and as of the Closing Date (except to the extent any such representations and warranties expressly relate to a specified date, in which case such representations and warranties shall be true and correct as of such specified date) and (iv) all other representations and warranties of the Company contained herein shall be true and correct as of the date of this Agreement and at and as of the Closing Date as if made on and as of the Closing Date (in each case without giving effect to any Material Adverse Effect or other materiality qualifications or limitations contained therein) (except to the extent any such representations and warranties expressly relate to a specified date, in which case such representations and warranties shall be so true and correct as of such earlier date), except, for purposes of this clause (iv), for any failures of such representations and warranties to be so true and correct to the extent that such failures have not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Parent shall have received a certificate signed on behalf of the Company by the Chief Executive Officer and the Chief Financial Officer of the Company to the foregoing effect.

(b) Performance of Obligations of the Company. The Company shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date. Parent shall have received a certificate signed on behalf of the Company by the Chief Executive Officer and the Chief Financial Officer of the Company to the foregoing effect.

(c) Required Money Transfer Permits. The Required Money Transfer Permits shall have been made or obtained, as applicable, and shall remain in full force and effect and all statutory waiting periods relating to such Required Money Transfer Permits shall have expired or been terminated (in each case, without the imposition of any Burdensome Condition). For purposes of this Agreement, Required Money Transfer Permits means (i) any Approval related to Money Transmitter Licenses, including in connection with a change in control of the Company or any of its Subsidiaries holding a Money Transmitter License, from or with any Governmental Entity specified in Section 6.2(c) of the Company Disclosure Schedules and (ii) all other Approvals related to Money Transmitter Licenses not listed in Section 6.2(c) of the Company Disclosure Schedules and in the case of each of clause (i) and (ii), required by applicable Legal Requirements to be made or obtained prior to the Effective Time, except, in the case of clause (ii), for such other Approvals the failure of which to be obtained or made prior to the Effective Time would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or a material and adverse effect on Parent or its affiliates or the conduct of their businesses.

(d) No Burdensome Condition. The CFIUS Approval shall have been obtained without the imposition of any Burdensome Condition; provided, however, that this condition shall be deemed to be irrevocably waived by Parent unless Parent provides written notice to the contrary to the Company within five (5) Business Days of the satisfaction of the conditions set forth in Section 6.1(c).

6.3. Conditions to Obligations of the Company. The obligation of the Company to effect the Merger is also subject to the satisfaction or waiver by the Company at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. (i) The representations and warranties of Parent contained in Section 4.11 shall be true and correct in all respects as of the Closing Date as if made on and as of the Closing Date and (ii) the other representations and warranties of Parent contained herein shall be true and correct as of the date of this Agreement and shall be true and correct as of the Closing Date as if made on and as of the Closing Date (in each case without giving effect to any Parent Material Adverse Effect or other materiality qualifications or limitations contained therein) (except to the extent any such representations and warranties expressly relate to a specified date prior to the date of this Agreement, which need only be true and correct as of such specified date), except for any failures of such representations and warranties to be so true and correct as have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. The Company shall have received a certificate signed on behalf of Parent by an executive officer of Parent to the foregoing effect.

(b) Performance of Obligations of Parent. Parent shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date. The Company shall have received a certificate signed on behalf Parent by an executive officer of Parent to the foregoing effect.

ARTICLE VII

TERMINATION AND AMENDMENT

7.1. Termination. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time:

(a) by mutual consent of Parent and the Company in a written instrument;

(b) by either Parent or the Company, by written notice to the other party, if (i) any Governmental Entity which must grant a Required Money Transfer Permit has denied such approval and such denial has become final and non-appealable or (ii) any Governmental Entity of competent jurisdiction shall have issued a final non-appealable

order enjoining or otherwise prohibiting the consummation of the transactions contemplated by this Agreement;

(c) by either Parent or the Company, by written notice to the other party, if the Effective Time shall not have occurred on or before January 26, 2018 (as such date may be extended pursuant to the following proviso,

the _End Date_); provided, that if the condition set forth in Section 6.2(c) has not been satisfied or waived as of January 26, 2018 (but all other conditions to the Closing set forth in Article VI shall have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions)), then either the Company or Parent may extend the End Date to April 26, 2018 by delivery of written notice of such extension to the other party on or prior to the initial End Date, in which case the End Date shall be deemed for all purposes to be such later date; provided, further, that the right to terminate this Agreement pursuant to this Section 7.1(c) shall not be available to (i) the Company if the failure of the Effective Time to occur by such date is due to the failure of the Company to perform or observe the covenants and agreements of the Company set forth herein or (ii) Parent, if the failure of the Effective Time to occur by such date is due to the failure of Guarantor, Parent or Merger Sub to perform or observe the covenants and agreements of such parties set forth herein;

(d) by either Parent or the Company (provided, that the terminating party (and, in the case of Parent, Guarantor or Merger Sub) is not then in material breach of any representation, warranty, covenant or other agreement contained herein), by written notice to the other party, if the other party (or, in the case of Parent, either Guarantor or Merger Sub) shall have breached (i) any of the covenants or agreements made by such other party (or, in the case of Parent, either Guarantor or Merger Sub) herein or (ii) any of the representations or warranties made by such other party (or, in the case of Parent, either Guarantor or Merger Sub) herein, and in either case, such breach (A) is not cured within thirty (30) days following written notice to the party committing such breach, or which breach, by its nature, cannot be cured prior to the Closing and (B) would entitle the non-breaching party not to consummate the transactions contemplated hereby under Article VI hereof;

(e) by either Parent or the Company, by written notice to the other party, if the Company Stockholder Approval shall not have been obtained at the Company Stockholders Meeting (including any adjournment or postponement thereof);

(f) by Parent, by written notice to the Company, prior to obtaining Company Stockholder Approval, if (i) the Company Board shall have effected a Change of Recommendation, whether or not permitted under this Agreement, (ii) the Company shall have breached Section 5.3 by failing to call and hold the Company Stockholders Meeting as provided therein, or materially breached Section 5.4, (iii) the Company shall have failed to publicly recommend against any tender offer or exchange offer that constitutes a Company Acquisition Proposal (including, for these purposes, by taking no position with respect to the acceptance of such tender offer or exchange offer by the Company s stockholders) within ten (10) Business Days after the commencement (as such term is defined in Rule 14d-2 of the Exchange Act) of such tender offer or exchange offer or (iv) to the extent requested in writing by Parent, the Company Board shall have failed to publicly reaffirm the Company Recommendation within ten (10) Business Days after the date a Company Acquisition Proposal has been publicly announced (or, if later, within three (3) Business Days of Parent s written request);

(g) by the Company, by written notice to Parent, if (i) all of the conditions in Section 6.1 and Section 6.2 have been satisfied or waived in writing by Parent (other than those conditions that by their nature are to be satisfied at the Closing; provided, that such conditions are capable of being satisfied), (ii) on or after the date the Closing should have occurred pursuant to Section 1.2, the Company has delivered written notice to Parent that (A) all of the conditions set forth in Section 6.1 and Section 6.2 have been satisfied or waived in writing by Parent (other than those conditions that by their nature are to be satisfied at the Closing; provided that such conditions are capable of being satisfied), (B) all of the conditions set forth in Section 6.1 and Section 6.3 have been satisfied or waived in writing by the Company (other than those conditions that by their nature are to be satisfied at the Closing; provided that such conditions are capable of being satisfied) and (C) the Company is ready, willing and able to consummate the Closing, and (iii) Parent and Merger Sub have failed to consummate the Closing on or before the third (3rd) Business Day after delivery of the notice referenced in clause (ii) of this Section 7.1(g) (or, if earlier, the Business Day immediately prior to the End Date), and the Company stood ready, willing and able to consummate the Closing throughout such period; or

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(h) by the Company, by written notice to Parent, prior to obtaining the Company Stockholder Approval, if (i) the Company Board authorizes the Company, subject to complying with the terms of Section 5.4(e), to enter into a binding definitive agreement to effect a transaction constituting a Company Superior Proposal, (ii) the Company prior to or concurrently with such termination pays to Parent in immediately available funds the Termination Fee and (iii) the Company enters into such binding definitive agreement substantially concurrently with such termination.

7.2. Effect of Termination.

(a) In the event of termination of this Agreement by either Parent or the Company as provided in Section 7.1, this Agreement shall forthwith become void and have no effect, and none of Parent, Merger Sub, Guarantor, the Company, or any other Company Related Party or Parent Related Party shall have any liability of any nature whatsoever hereunder, or in connection with the transactions contemplated hereby, except that (i) Section 5.15(c), this Section 7.2 and Article VIII, as well as the Confidentiality Agreement and the Payment Guarantee, shall survive any termination of this Agreement and (ii) notwithstanding anything to the contrary contained in this Agreement but subject to Section 7.2(g), neither Parent, Merger Sub, Guarantor nor the Company shall be relieved or released from any liabilities or damages arising out of its willful and material breach of any provision of this Agreement or fraud; provided, that in no event shall any party hereto be liable for any punitive damages. For purposes of this Agreement, willful and material breach shall mean a material breach that is a consequence of an act taken by the breaching party, or the failure by the breaching party to take an act it is required to take under this Agreement, when the breaching party knew that the taking of, or the failure to take, such act would, or would be reasonably expected to, cause a breach of this Agreement.

(b) The Company shall pay Parent or its designee, by wire transfer of immediately available funds, the Termination Fee if this Agreement is terminated as follows:

(i) if this Agreement is terminated by (A) Parent pursuant to Section 7.1(f) (Change in Recommendation, etc.) then the Company shall pay to Parent the Termination Fee on the second (2nd) Business Day following such termination or (B) the Company pursuant to Section 7.1(h) (Superior Proposal) then the Company shall pay to Parent the Termination Fee prior to or concurrent with such termination; and

(ii) if this Agreement is terminated (A) (1) by either Parent or the Company pursuant to Section 7.1(c) (End Date) or by Parent pursuant to Section 7.1(d) (Terminable Breach) or (2) by either Parent or the Company pursuant to Section 7.1(e) (Failure to Obtain Stockholder Approval), (B) (1) in the case of (A)(1), a Company Acquisition Proposal, whether or not conditional, shall have been publicly announced or otherwise communicated to the Company Board at any time after the date of this Agreement and prior to the termination of this Agreement or (2) in the case of (A)(2), a Company Acquisition Proposal, whether or not conditional, shall have been publicly announced and not withdrawn prior to the Company Stockholders Meeting and (C) within twelve (12) months of such termination the Company or any of its Subsidiaries enters into an agreement with respect to (or consummates) any Company Acquisition Proposal whether or not with a person that made a Company Acquisition Proposal prior to the date of such termination, then the Company shall pay the Termination Fee to Parent or its designee on the date of such execution or consummation, provided, however, that solely for the purpose of this clause (ii), all references in the definition of Company Acquisition Proposal to 20% or more shall instead refer to 50% or more ; provided further, that, notwithstanding the foregoing, the Termination Fee shall not be payable to Parent if (x) the Parent Termination Fee is payable to the Company pursuant to Section 7.2(c)(ii) or (y) the Parent Regulatory Termination Fee is payable to the Company pursuant to Section 7.2(d)(ii) (unless, with respect to this clause (y), the agreement with respect to the Company Acquisition Proposal (or the consummated transaction) referenced in clause (C) above is with a person that made a Company Acquisition Proposal following the date of this Agreement and prior to the date of the termination of this Agreement). Termination Fee means $30 million in cash.

(c) Parent shall pay or cause to be paid to the Company or its designee, by wire transfer of immediately available funds, $60 million (the Parent Termination Fee), on the second (2nd) Business Day following termination of this Agreement, if this Agreement is terminated as follows:

(i) by the Company pursuant to Section 7.1(g) (Parent Failure to Close); or

(ii) (A) by the Company, pursuant to Section 7.1(d)(i) (Terminable Breach), as a result of Parent s or Merger Sub s willful and material breach of its covenants and agreements set forth herein for which the Company was not able to obtain or enforce specific performance or an injunction as a remedy for such willful and material breach or such remedy was not available or (B) by Parent, pursuant to Section 7.1(b)(ii) as a result of a final non-appealable order issued by the President of the United States pursuant to the Defense Production Act prohibiting the consummation of the transactions contemplated by this Agreement, which resulted or was caused by Parent s or Merger Sub s willful and material breach of its covenants and agreements set forth herein for which the Company was not able to obtain or enforce specific performance or an injunction as a remedy for such willful and material breach or such remedy was not available.

(d) Parent shall pay or cause to be paid to the Company or its designee, by wire transfer of immediately available funds, $17.5 million (the Parent Regulatory Termination Fee) on the second (2nd) Business Day following termination of this Agreement, if this Agreement is terminated as follows:

(i) by Parent or the Company pursuant to Section 7.1(b)(ii) (Injunction) as a result of a final non-appealable order issued by the President of the United States pursuant to the Defense Production Act prohibiting the consummation of the transactions contemplated by this Agreement; provided that at the time of such termination, the Company s failure to perform or observe its covenants and agreements set forth herein was not the primary cause of the order or other prohibition contemplated by Section 7.1(b)(ii); and

(ii) by Parent or the Company, pursuant to Section 7.1(c) (End Date) if at the time of such termination all of the conditions set forth in Section 6.1 and Section 6.2 have been satisfied or waived other than the conditions set forth in Section 6.1(c) (CFIUS), Section 6.1(d) (No Injunctions) (as a result of a final non-appealable order a final non-appealable order issued by the President of the United States pursuant to the Defense Production Act prohibiting the consummation of the transactions contemplated by this Agreement) or Section 6.2(d) (Burdensome Condition); provided that at the time of such termination, the Company s failure to perform or observe its covenants and agreements set forth herein was not the primary cause of the failure of any such condition.

(e) Any Termination Fee, Parent Termination Fee or Regulatory Termination Fee that becomes payable pursuant to Section 7.2(b), Section 7.2(c) or Section 7.2(d) shall be paid by wire transfer of immediately available funds to an account designated by Parent or the Company, as applicable. The parties agree and understand that (i) in no event shall the Company be required to pay the Termination Fee on more than one occasion and (ii) in no event shall Parent be required to pay both the Parent Termination Fee and the Parent Regulatory Fee or pay either the Parent Termination Fee or the Parent Regulatory Termination Fee on more than one occasion.

(f) The Company and Parent agree that the agreements contained in Section 7.2(b), Section 7.2(c) and Section 7.2(d) are integral parts of the transactions contemplated by this Agreement. The parties agree that the Termination Fee, the Parent Termination Fee and the Parent Regulatory Termination Fee shall not constitute a penalty but are liquidated damages, in a reasonable amount that will compensate the party receiving such amount in the circumstances in which it is payable for the efforts and resources expended and opportunities foregone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated by this Agreement, which amount would otherwise be impossible to calculate with precision. In the event that a party is

required to commence litigation as set forth in Section 8.11 to seek all or a portion of the amounts payable to such party under this Section 7.2, and such party prevails in the litigation, it shall be entitled to receive, in addition to all amounts that it is otherwise entitled to receive under this Section 7.2, all reasonable expenses (including attorneys fees) which it has incurred in enforcing its rights

hereunder, together with interest on such amount or portion thereof at the prime rate set forth in the Wall Street Journal in effect on the date such payment was required to be made through the date the payment was actually received (collectively, the Expense and Interest Payments).

(g) Notwithstanding anything to the contrary in this Agreement, if any party breaches this Agreement or fails to perform any of its covenants, obligations or agreements hereunder (whether such breach or failure is willful and material, unintentional or otherwise), the sole and exclusive remedies (whether such remedies are sought in equity or at law, in contract, in tort or otherwise) of the non-breaching party or parties against the Company Related Parties, Parent Related Parties or the Lender Related Parties, as the case may be, for any losses, damages, costs, expenses, obligations or liabilities arising out of or related to this Agreement (or any breach of any representation, warranty, covenant, obligation or agreement contained in this Agreement), the transactions contemplated by this Agreement (or any failure of such transactions to be consummated), the Debt Commitment Letter and the financings contemplated therein (or any failure of such financings to be consummated) shall be:

(i) the right to obtain an injunction, specific performance or other equitable relief in accordance with the terms and subject to the limitations of Section 8.12; and

(ii) the Company s right to terminate this Agreement in accordance with Section 7.1 and (A) receive the Parent Termination Fee in the circumstances under which such fee is payable pursuant to Section 7.2(c) (and, if applicable, any Expense and Interest Payments) or the Parent Regulatory Termination Fee in circumstances where it is payable pursuant to Section 7.2(d) (and if applicable, any Expense and Interest Payments) and (B) in any circumstance in which the Parent Termination Fee or Parent Regulatory Termination Fee is not payable pursuant to Section 7.2(c) or Section 7.2(d), seek money damages from Parent in the event of Guarantor s, Parent s or Merger Sub s willful and material breach of any of their representations, warranties, covenants, obligations or agreements contained in this Agreement or fraud; provided, however, that in the circumstances described in this clause (B), in no event shall Parent or Merger Sub have any monetary liability or obligations in excess of an amount equal to the amount of the Parent Termination Fee (and, if applicable, any Expense and Interest Payments); and

(iii) Parent s right to terminate this Agreement in accordance with Section 7.1 and (A) receive the Company Termination Fee in the circumstances under which such fee is payable pursuant to Section 7.2(b) (and, if applicable, any Expense and Interest Payments) and (B) in any circumstance under which the Termination Fee is not payable pursuant to Section 7.2(b), seek money damages from the Company in the event of the Company s willful and material breach of any of its representations, warranties, covenants, obligations or agreements contained in this Agreement or fraud; provided, however, that in the circumstances described in clause (B) above, in no event shall the Company have any monetary liability or obligations in excess of an amount equal to the amount of the Parent Termination Fee (and, if applicable, any Expense and Interest Payments).

(h) While each of the Company and Parent may pursue both a grant of specific performance in accordance with Section 8.12 and the payment of the Parent Termination Fee or the Company Termination Fee, as applicable, under no circumstances shall the Company or Parent be permitted or entitled to receive both a grant of specific performance that results in the Effective Time occurring and the Parent Termination Fee or the Company Termination Fee, as applicable.

(i) Notwithstanding anything in this Agreement, in no event shall the Company (and the Company shall cause the Company Related Parties to not) seek, directly or indirectly, to recover against any Lender Related Parties, or compel payment by any Lender Related Parties of, any damages or other payments whatsoever or bring against any Lender Related Parties any actions or other Claims (whether such remedies are sought in equity or at law, in contract, in tort or otherwise), in each case in this clause arising out of or related to this Agreement (or any breach of any

representation, warranty, covenant, agreement or obligation contained herein), the transactions contemplated by this Agreement (or any failure of such transactions to be consummated), the Debt Commitment Letter and the financings contemplated therein (or any failure of such financings to be

consummated), or in respect of any oral representations made or alleged to be made in connection with this Agreement or the Debt Commitment Letter; provided that the foregoing shall not restrict Claims that the Company may assert: (x) against each of Parent and Merger Sub under, and solely pursuant to the terms and limitations of, this Agreement, (y) against Guarantor under, and solely pursuant to the terms and limitations of, the Guaranty, set forth in Section 8.16 and subject to the other terms and limitations of this Agreement and (z) against the Issuer Bank under the Payment Guarantee.

ARTICLE VIII

GENERAL PROVISIONS

8.1. Non-survival of Representations, Warranties and Agreements. None of the representations, warranties, covenants and agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time, except for those covenants and agreements contained herein and therein which by their terms apply or are to be performed in whole or in part after the Effective Time.

8.2. Amendment. Subject to compliance with applicable Law, this Agreement may be amended by the parties hereto at any time before or after approval of the matters presented in connection with the Merger by the stockholders of the Company; provided, however, that after any such approval, no amendment shall be made which by Law requires further approval by such stockholders without such further approval; provided, further, that no amendment to Sections 7.2(i), 8.2, 8.9(b), 8.11(c) and 8.15, in each case to the extent such amendment would affect the rights of a Lender (or any Lender Related Party relating to such Lender) shall be effective as to such Lender without such Lender s consent. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

8.3. Extension; Waiver. At any time prior to the Effective Time, the parties hereto may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto and (c) waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party, but such extension or waiver or failure to insist on strict compliance with an obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

8.4. Expenses. Except as provided in Section 7.2, all costs and expenses incurred in connection with this Agreement, the Merger and the other transactions contemplated hereby shall be paid by the party incurring such expense whether or not the Merger is consummated.

8.5. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by facsimile (upon confirmation of receipt) on the first (1st) Business Day following the date of dispatch if delivered by a recognized next day courier service, or on the third (3rd) Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered as set forth below or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

(a) if to Parent or Merger Sub, to:

Alipay (UK) Limited

c/o 26/F Tower One, Times Square

1 Matheson Street

Causeway Bay, Hong Kong

Attn: General Counsel

Fax: (852) 2215-5321

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with copies to (which shall not constitute notice):

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, NY 10017

Attn: Lee A. Meyerson

Fax: (212) 455-2502

and

Simpson Thacher & Bartlett LLP

ICBC Tower 35th Floor

3 Garden Road, Central

Hong Kong, China

Attn: Kathryn King Sudol

Fax: (852) 2869-7694

(b) if to the Company, to:

MoneyGram International, Inc.

2828 N. Harwood St., 15th Floor

Dallas, TX 75201

Fax: (214) 999-7670

Attn: Aaron Henry

with a copy to (which shall not constitute notice):

Vinson & Elkins LLP

Trammell Crow Center

2001 Ross Avenue

Suite 3700

Dallas, TX 75201-2975

Attn: Alan J. Bogdanow

Fax: (214) 999-7857

and

Vinson & Elkins LLP

1001 Fannin Street

Suite 2500

Houston, TX 77002- 6760

Attn: Lande Spottswood

Fax: (713) 615-5171

8.6. Certain Definitions. For purposes of this Agreement:

"Acceptable Confidentiality Agreement" means a confidentiality agreement that contains terms that are no less favorable in the aggregate to the Company as determined by the Company in good faith than those contained in the Confidentiality Agreement.

"affiliate" means (unless otherwise specified), with respect to any person, any other person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such specified person.

"Agent" means any person that is duly authorized to represent and/or act for another person under a contract or relation of agency, but excluding any Authorized Delegate.

Approval shall mean a consent, authorization, approval, filing, registration, license, franchise, permit, exemption, variance, waiver or non-objection of any Governmental Entity.

Authorized Delegate means a person that undertakes to disburse funds to, or credit, deposit or apply funds to the account or for the benefit of, recipients or beneficiaries of fund transfers initiated by customers of the Company or its Subsidiaries.

Business Day means any day that is not a Saturday, a Sunday or other day on which banking organizations in New York, New York or Dallas, Texas are required or authorized by Law to be closed.

CFIUS Approval means any of the following: (a) the thirty (30)-day review period under the Defense Production Act shall have expired and the parties shall have received notice from CFIUS that such review has been concluded and that either the transactions contemplated hereby do not constitute a covered transaction under the Defense Production Act or there are no unresolved national security concerns, and all action under the Defense Production Act is concluded with respect to the transactions contemplated hereby, or (b) an investigation shall have been commenced after such thirty (30)-day review period and CFIUS shall have determined to conclude all action under the Defense Production Act without sending a report to the President of the United States, and the parties shall have received notice from CFIUS that there are no unresolved national security concerns, and all action under the Defense Production Act is concluded with respect to the transactions contemplated hereby, or (c) CFIUS shall have sent a report to the President of the United States requesting the President s decision and the President shall have announced a decision not to take any action to suspend, prohibit or place any limitations on the transactions contemplated hereby, or the time permitted by law for such action shall have lapsed.

Claims means any civil, criminal, or administrative actions, suits, demands, claims, hearings, investigations, proceedings, settlements, or enforcement actions commenced, brought, conducted or heard by or before otherwise involving, a Governmental Entity or any arbitrator or arbitration panel.

Company Acquisition Proposal means any inquiry, proposal or offer from any person or group (as defined in or under Section 13(d) of the Exchange Act) (other than Parent or any of its Subsidiaries) relating to, or that could reasonably be expected to lead to, any direct or indirect (a) acquisition, purchase or sale of a business or assets that constitute 20% or more of the consolidated business, revenues, net income or assets (including stock of the Company s Subsidiaries) of the Company and its Subsidiaries, (b) merger, reorganization, share exchange, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving (i) the Company or (ii) one or more Subsidiaries of the Company representing 20% or more of the consolidated business, revenues, net income or assets of the Company and its Subsidiaries, (c) purchase or sale of, or tender or exchange offer (including a self-tender offer) for, securities of the Company or any of its Subsidiaries that, if consummated, would result in any person (or the stockholders of such person) or group (as defined in or under Section 13(d) of the Exchange Act) beneficially owning securities representing 20% or more of the equity or total voting power of the Company, any of its Subsidiaries or the surviving parent entity in such transaction or (d) any public announcement of a proposal, plan or intention to do any of the foregoing or any Contract to engage in any of the foregoing.

Company Superior Proposal means a *bona fide* written Company Acquisition Proposal (with all references in the definition of Company Acquisition Proposal to twenty percent (20%) changed to fifty percent (50%) for purposes of this definition) made by any person or group (as defined in or under Section 13(d) of the Exchange Act) on terms that the Company Board determines in good faith, after consultation with the Company s outside financial and legal advisors, is reasonably likely to be consummated and would result, if consummated, in a transaction that is more favorable to the Company s stockholders from a financial point of view than the Company Merger, after taking into account (a) the legal, financial, regulatory or other aspects of such proposal, (b) the likelihood and timing of

consummation (as compared to the transactions contemplated by this Agreement) and (c) any changes to the terms of this Agreement proposed by Parent and any other information provided by Parent (including pursuant to Section 5.4 of this Agreement).

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Company Related Party shall mean the Company and each former, current or future affiliate, officer, director, manager, employee, stockholder, equityholder, member, manager, partner, agent, representative, successor or assign of the Company or any former, current or future affiliate, officer, director, manager, employee, stockholder, equityholder, member, manager, partner, agent, representative, successor or assign of any of the foregoing.

Contract means any written or oral license, lease, agreement, contract, understanding, permit, concession, franchise, note, bond, mortgage, indenture, deed of trust or other instrument or obligation, in each case to which there are continuing rights, liabilities or obligations.

control with respect to the relationship between or among two (2) or more persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a person, whether through the ownership of voting securities, as trustee or executor, by contract or any other means.

Credit Agreement means the Amended and Restated Credit Agreement, dated as of March 27, 2013, by and among the Company, as borrower, Bank of America, N.A., as administrative agent, certain lender parties thereto and the other agents party thereto.

Governmental Entity means any national, federal, state, local or foreign court, administrative agency or commission or other governmental or regulatory authority or instrumentality or self-regulatory organization.

Infringing means infringing, misappropriating, diluting or otherwise violating.

Intellectual Property means all intellectual property rights worldwide, including (a) trademarks, service marks, trade names, corporate names, Internet domain names, social and mobile media identifiers, logos and other source identifiers and all goodwill associated therewith and symbolized thereby, (b) patents, rights in inventions, methods and processes, (c) trade secrets, know-how, rights in models and algorithms (d) copyrights and rights in copyrighted works (including software), and (e) all registrations, applications, renewals, continuations, continuations-in-part, divisions, re-issues, re-examinations and foreign counterparts thereof.

knowledge means, (a) with respect to the Company, the actual knowledge of the individuals set forth in Section 8.5 of the Company Disclosure Schedule and (b) with respect to Parent, the actual knowledge of the individuals set forth in Section 8.5 of the Parent Disclosure Schedule.

Legal Requirement shall mean any applicable federal, state, local, territorial, provincial, regional, municipal, foreign or supranational law, statute, constitution, treaty, principle of common law, directive, resolution, ordinance, code, edict, writ, decree, rule, regulation, judgment, injunction, order, award, ruling or requirement (including Privacy Laws) issued, enacted, adopted, promulgated, implemented or otherwise put into effect in any nation, state, commonwealth, province, territory, country, municipality, district or other jurisdiction of any nation by or under the authority of any Governmental Entity, and any rule, regulation or operating or technical standard or guidance issued, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any payment system in which the Company or any of its Subsidiaries processes transactions.

Lender Related Party shall mean any Lender and any of its former, current and future affiliates, officers, directors, managers, employees, controlling persons, stockholders, equityholders, members, managers, partners, agents, representatives, successors or assigns or any former, current and future affiliate, officer, director, manager, employee, controlling person, stockholders, equityholder, member, manager, partner, agent, representative, successor or assign of any of the foregoing.

"Lenders" means the agents, arrangers, lenders and other entities that have committed to provide or arrange all or any part of the Debt Financing or any other financing to be obtained by Parent (or any of its

affiliates) in connection with the transactions contemplated hereby, including the parties to any joinder agreements, incremental agreements, credit agreements or loan agreements entered into in connection therewith, and their respective successors and assigns.

Liens means any liens, licenses, charges, encumbrances, adverse ownership rights or claims and security interests whatsoever.

Material Adverse Effect means any fact, circumstance, event, change, effect or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes, effects, or occurrences, (a) has or would be reasonably expected to have a material adverse effect on the business, results of operations or financial condition of the Company and its Subsidiaries taken as a whole or (b) that prevents or materially delays or materially impairs, or that would reasonably be expected to prevent, materially delay or materially impair, the Company s ability to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis; provided, however, that in determining whether a Material Adverse Effect has occurred pursuant to clause (a) above, there shall be excluded any effect on the Company and its Subsidiaries to the extent caused by, resulting from or relating to (i) any change after the date of this Agreement in Laws of general applicability or published interpretations thereof by courts or Governmental Entities or in U.S. GAAP, (ii) the announcement or execution of this Agreement or the transactions contemplated hereby, including the identity of Parent and any announced plans or intentions of Parent with respect to the Company or the business of the Company and its Subsidiaries following the Closing; (iii) any changes after the date of this Agreement in general political, tax, economic or business conditions in the United States or any country or region in the world in which the Company or any of its Subsidiaries does business, or any changes in securities, credit or capital market conditions, including interest rates or exchange rates; (iv) the failure by the Company and its Subsidiaries to meet internal projections or forecasts or published revenue or earnings predictions for any period ending on or after the date of this Agreement or a decrease in the market price or the trading volume of shares of Common Stock; provided that the exception in this clause (iv) shall not prevent the underlying facts giving rise or contributing to such failure or decrease from being taking into account in determining whether a Material Adverse Effect has occurred; (v) hurricanes, earthquakes, floods or other natural disasters; (vi) the commencement, continuation or escalation of a war (whether or not declared), armed hostilities or acts of terrorism; (vii) any change or effect generally affecting the money transmission industry, (viii) the performance by Company or any of its affiliates of its or their express obligations under this Agreement or (ix) any action or omission by the Company taken at the express written request Parent; provided, that the effect of such changes described in clauses (i), (iii), (v), (vi) or (vii) shall not be excluded to the extent of the disproportionate impact, if any, they have on the Company and its Subsidiaries relative to other participants in the money transmission industry; provided, further, that clause (ii) shall not apply to the use of Material Adverse Effect in Section 3.4 (or Section 6.2(a) as it applies to Section 3.4).

Materials of Environmental Concern shall mean any pollutant, contaminant, hazardous or toxic substance or waste, or other similar substance regulated by any Environmental Law.

Money Transmitter License shall mean any Approval that is necessary under any Money Transmitter Requirement to entitle the Company or any of its Subsidiaries to carry on and conduct its businesses as currently conducted.

Money Transmitter Requirements shall mean any and all Legal Requirements relating to the business of transmitting money or other payment or money services businesses.

NASDAQ means the National Association of Securities Dealers Automated Quotations.

OFAC shall mean the U.S. Department of the Treasury s Office of Foreign Assets Control.

Parent Material Adverse Effect means any fact, circumstance, event, change, effect or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes, effects, or occurrences

prevents or materially delays or materially impairs, or that would reasonably be expected to prevent, materially delay or materially impair, Guarantor s, Parent s and Merger Sub s ability to perform their respective obligations under this Agreement or consummate the transactions contemplated hereby.

Parent Related Party shall mean Parent, Merger Sub and any of their respective former, current and future affiliates, officers, directors, managers, employees, stockholders, equityholders, members, managers, partners, agents, representatives, successors or assigns or any former, current and future affiliate, officer, director, manager, employee, stockholders, equityholder, member, manager, partner, agent, representative, successor or assign of any of the foregoing.

Permitted Lien shall mean (a) routine statutory Liens securing liabilities not yet due and payable and (b) Liens existing or expressly permitted pursuant to the Credit Agreement existing as of the date of this Agreement.

person shall mean any individual, corporation, limited liability company, limited or general partnership, joint venture, government or any agency or political subdivision thereof, or any other entity or any group (as defined in Section 13(d)(3) of the Exchange Act) comprised of two or more of the foregoing.

PRC shall mean People s Republic of China.

Required Information means all financial statements relating to the Company necessary to satisfy the conditions in paragraphs 3 of Exhibit C to the Debt Commitment Letter as in effect on the date of this Agreement; provided that such information shall not satisfy such conditions if (1) Ernst & Young LLP or Deloitte & Touche LLP shall have withdrawn their audit opinions with respect to any audited financial statements contained in the Required Information, in which case the Required Information shall not be deemed to have been provided unless and until a new unqualified audit opinion is issued with respect to such financial statements by Ernst & Young LLP, Deloitte & Touche LLP or another independent accounting firm of nationally recognized standing; or (2) the Company shall have publicly announced any intention to restate any historical financial statements of the Company included in the Required Information, or the Company shall have publicly announced that such restatement is under consideration, in which case the Required Information shall not be deemed to have been provided unless and until such restatement has been completed and the applicable Required Information has been amended or the Company has publicly announced that it has concluded no such restatement shall be required.

SEC shall mean the U.S. Securities and Exchange Commission.

Subsidiary means, with respect to any person, any other corporation, partnership, joint venture, limited liability company or any other entity (a) of which such first person or a Subsidiary of such first person is a general partner or managing member or (b) at least a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or persons performing similar functions with respect to such entity is directly or indirectly owned or controlled by such first person and/or one or more Subsidiaries thereof.

Transaction Documents means this Agreement and the Voting and Support Agreements.

U.S. GAAP means United States generally accepted accounting principles.

8.7. Interpretation. The words hereof, herein and hereunder and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section references are to this Agreement unless otherwise specified. Whenever the words include, includes or including are used in this Agreement, they shall be deemed to be followed by the words without limitation. The table of contents and headings

contained in this Agreement are for reference purposes only and

shall not affect in any way the meaning or interpretation of this Agreement. In this Agreement, all references to dollars or $ are to United States dollars. This Agreement and any documents or instruments delivered pursuant hereto or in connection herewith shall be construed without regard to the identity of the person who drafted the various provisions of the same. Each and every provision of this Agreement and such other documents and instruments shall be construed as though all of the parties participated equally in the drafting of the same. Consequently, the parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting party shall not be applicable either to this Agreement or such other documents and instruments. References to a party or to the parties to this Agreement refers to the Company, Parent, Merger Sub and Guarantor, individually or collectively, as the case may be.

8.8. Counterparts. This Agreement may be executed by facsimile and in counterparts, all of which shall be considered an original and one and the same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

8.9. Entire Agreement; Third Party Beneficiaries.

(a) This Agreement (together with the documents and the instruments referred to herein and the Payment Guarantee, Voting and Support Agreements, the Debt Commitment Letter and the Confidentiality Agreement) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

(b) Except for: (i) Article II, with respect to the rights of holders of Shares and Series D Preferred Stock to receive payment of the Merger Consideration and the rights of the holders of Company Options or Company RSUs to receive the Option Consideration and the Converted Awards, which from and after the Effective Time shall be for the benefit of any person entitled to such payment or award thereunder, (ii) Section 5.7, which from and after the Effective Time shall be for the benefit of each Indemnified Party, his or her heirs and personal representatives and (iii) Sections 7.2(i), 8.2, 8.9(b), 8.11(c) and 8.15, which shall be for the benefit of the Lender Related Parties, Parent, Merger Sub and the Company hereby agree that their respective representations, warranties and covenants set forth herein are solely for the benefit of the other parties hereto, in accordance with and subject to the terms of this Agreement, and this Agreement is not intended to, and does not, confer upon any person other than the parties hereto any rights or remedies hereunder, including, the right to rely upon the representations and warranties set forth herein.

(c) The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of the parties hereto. Any inaccuracies in such representations and warranties may be subject to waiver by the parties hereto in accordance with Section 8.4 without notice or liability to any other person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, persons other than the parties hereto may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

8.10. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware (without giving effect to choice of law principles thereof).

8.11. Jurisdiction; Service of Process; Waiver of Jury Trial.

(a) Each of the parties irrevocably submits to the exclusive jurisdiction of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, of any Delaware state or federal court within the State of Delaware) for the purpose of any Claim directly or indirectly based upon, arising

out of or relating to this Agreement, any of the transactions contemplated by this Agreement (including with respect to the Debt Financing) or the actions of Guarantor, Parent, Merger Sub or the Company in the negotiation, administration, performance and enforcement hereof and thereof. With respect to this Section 8.11(a), each of the parties (i) consents to submit itself to the personal jurisdiction of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, of any Delaware state or federal court within the State of Delaware) with respect to any matter relating to or arising under this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and (iii) except as set forth in Section 8.11(c), agrees that it will not bring any such proceeding in any court other than the Delaware state or federal courts within the State of Delaware, as described above. With respect to this Section 8.11(a), each of the parties irrevocably consents to the service of process out of any of the aforementioned courts in any such action, suit or proceeding by the mailing of copies thereof by registered mail, postage prepaid, to such party at its address specified pursuant to Section 8.5, such service of process to be effective upon acknowledgment of receipt of such registered mail.

(b) EACH OF PARENT, MERGER SUB, THE COMPANY AND GUARANTOR HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) DIRECTLY OR INDIRECTLY BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (INCLUDING WITH RESPECT TO THE DEBT FINANCING) OR THE ACTIONS OF GUARANTOR, PARENT, MERGER SUB OR THE COMPANY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF AND THEREOF.

(c) Notwithstanding anything to the contrary in this Agreement, each of the parties acknowledges and irrevocably agrees: (i) that any Claim, whether at law or in equity, in contract, in tort or otherwise, involving the Lender Related Parties arising out of, or relating to, the Debt Financing or the performance of services thereunder or related thereto will be subject to the exclusive jurisdiction of any state or federal court sitting in the State of New York in the borough of Manhattan and any appellate court thereof, and each of the parties submits to the exclusive jurisdiction of such court with respect to any such Claim; (ii) not to bring or permit any of their affiliates to bring or support anyone else in bringing any such Claim in any other court; (iii) that service of process, summons, notice or document by registered mail addressed to them at their respective addresses provided in the Debt Commitment Letter will be effective service of process against them for any such Claim brought in any such court; (iv) to waive and hereby does waive, to the fullest extent permitted by applicable Law, any objection which any of them may now or hereafter have to the laying of venue of, and the defense of an inconvenient forum to the maintenance of, any such Claim in any such court; (v) that any such Claim will be governed and construed in accordance with the laws of the State of New York; and (vi) agrees that a final judgment in any such action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

8.12. Specific Performance.

(a) Each of Parent, Merger Sub, Guarantor and the Company agree that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with their specific terms on a timely basis or were otherwise breached. It is accordingly agreed that, subject to Section 8.12(b), Parent, Merger Sub and the Company shall be entitled to injunctive or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court identified in Section 8.11(a) above, this being in addition to any other remedy to which they are entitled at law or in equity. Each of Parent, Merger Sub, Guarantor and the Company agrees that, subject to Section 8.12(b), it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other party has an adequate remedy at law or that any

award of specific performance is not an appropriate remedy for any reason at law or in equity. Any party seeking an injunction, specific performance or other equitable remedies

to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court having jurisdiction related to this Agreement as provided in Section 8.11(a), may seek such an injunction without the necessity of demonstrating damages or posting a bond or other security in connection with any such injunction or other equitable relief. Subject to Section 8.12(b), each of Guarantor, Parent and Merger Sub, on the one hand, and the Company, on the other hand, hereby agrees not to raise any objections to the availability of the equitable remedy of specific performance to prevent or restrain breaches or threatened breaches of this Agreement by Parent, Merger Sub or Guarantor, or the Company, as applicable, and to specifically enforce the terms and provisions of this Agreement to prevent breaches or threatened breaches of, or to enforce compliance with, the covenants and obligations of Parent, Merger Sub or Guarantor, or the Company, as applicable, under this Agreement.

(b) Notwithstanding anything to the contrary contained in this Agreement (including Section 8.12(a)), it is explicitly agreed that the Company shall have the right to obtain an injunction, specific performance or other equitable remedies in connection with enforcing Parent s and Merger Sub s obligation to effect the Closing or consummate the Merger (and Guarantor s obligation to contribute to or otherwise make available to Parent and/or Merger Sub to proceeds of the Debt Financing in accordance with Section 8.16) in accordance with the terms of this Agreement if and only if (i) all conditions in Section 6.1 and Section 6.2 have been satisfied (other than those conditions that, by their nature, are to be satisfied at the Closing (but subject to the satisfaction of such conditions at the Closing)) at the time when the Closing is required to occur pursuant to Section 1.2, (ii) the Debt Financing has been funded or will be funded at the Closing on the terms set forth in the Debt Commitment Letters and (iii) the Company has confirmed in a written notice to Parent that if an injunction, specific performance or other equitable remedy is granted, then the Company will take such actions required of it to effect the Closing and consummate the Merger.

8.13. Severability. Any term or provision of this Agreement which is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid, illegal or unenforceable the remaining terms and provisions of this Agreement or affecting the validity, legality or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction, and if any provision of this Agreement is determined to be so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable, in all cases so long as neither the economic nor legal substance of the transactions contemplated hereby is affected in any manner materially adverse to any party or its stockholders. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

8.14. Assignment. Neither this Agreement nor any of the rights, interests or obligations of any party hereunder shall be assigned by any of the parties hereto (whether by operation of Law or otherwise) without the prior written consent of the other party, except that Parent and Merger Sub may assign (in whole but not in part) its rights and obligations hereunder to any wholly owned Subsidiary of Parent after providing written notice thereof to the Company at least five (5) Business Days in advance thereof; provided, however, that no such assignment shall be permitted without the prior written consent of the Company if such assignment could increase the risk that any of the conditions set forth in Article VI may not be satisfied or may be delayed in being satisfied, result in a breach of any of covenants and agreements set forth in this Agreement or could reasonably be expected to adversely affect the Company; provided, further, however, that no such assignment shall relieve Parent or Merger Sub of any obligation or liability under this Agreement. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

8.15. Non-Recourse. Any claim or cause of action based upon, arising out of or related to this Agreement may only be brought against persons that are expressly named as parties hereto (including, for the avoidance of doubt, Guarantor), and then only with respect to the specific obligations set forth herein. No former, current or future direct or indirect equity holders, controlling persons, shareholders, directors, officers, employees, agents,

affiliates, members, managers, general or limited partners or assignees of the Company, Parent or Merger Sub or any of their respective affiliates or Representatives (including any Lender Related Party), in each case, that is not a party hereto, shall have any liability hereunder or obligation for any of the representations, warranties, covenants, agreements, obligations or liabilities of the Company, Parent, Guarantor or Merger Sub under this Agreement or for any action, suit, arbitration, claim, litigation, investigation or proceeding based on, in respect of, or by reason of, the transactions contemplated hereby (including the breach, termination or failure to consummate such transactions), in each case whether based on contract, tort, strict liability, other Laws or otherwise and whether by piercing the corporate veil, by a claim by or on behalf of a party hereto. For the avoidance of doubt, this Section 8.15 does not limit or affect any rights or remedies that Parent or Merger Sub may have against the parties to the Debt Commitment Letter and does not limit or affect any rights or remedies that the Company may have against the Issuing Bank under the Payment Guaranty.

8.16. Guaranty.

(a) Guarantor, in order to induce the Company to execute and deliver this Agreement, hereby (i) agrees to contribute to or otherwise make available to Parent and/or Merger Sub the proceeds of the Debt Financing necessary to pay the aggregate Merger Consideration and all other cash amounts required to be paid by Parent in accordance with Article II and (ii) absolutely, unconditionally and irrevocably guarantees (the Guaranty) the due, punctual and full payment and performance of Parent s and Merger Sub s (including its permitted assigns) obligations to pay the Parent Termination Fee or the Parent Regulatory Termination Fee (and, if applicable, any Expense and Interest Payments) and any amounts payable pursuant to Section 8.16(e), if and when owed.

(b) This Guaranty is a guarantee of payment and performance, and not of collection, and Guarantor acknowledges and agrees that this Guaranty is full and unconditional, and no release or extinguishment of Parent s or Merger Sub s and/or their designees or assignees liabilities (other than in accordance with the terms of this Agreement), whether by decree in any bankruptcy proceeding or otherwise, will affect the continuing validity and enforceability of this Guaranty. Parent and Merger Sub hereby waive any right to require the Company, as a condition of payment or performance by Parent or Merger Sub of any obligations of Parent or Merger Sub hereunder, to proceed against Parent or Merger Sub or pursue any other remedy whatsoever in the event that Parent and Merger Sub fails to perform its obligations hereunder.

(c) Guarantor represents and warrants to the Company that (i) Guarantor is duly organized and validly existing under the Laws of the Hong Kong Special Administrative Region, and has full corporate power and authority to execute and deliver this Guaranty and Agreement, and to perform its obligations hereunder, (ii) the execution and delivery of this Guaranty and Agreement and the consummation by Guarantor of the transactions contemplated hereby have been duly and validly approved by the requisite corporate action, and (iii) no other corporate or stockholder proceedings on the part of Guarantor (or its equityholder) is necessary to authorize the execution, delivery and performance by Guarantor of this Guaranty and Agreement.

(d) Guarantor represents and warrants to the Company that the execution, delivery or performance of this Guaranty and Agreement by Guarantor will not (i) violate any provision of the organizational documents of Guarantor, (ii) violate or conflict with any applicable Law or Legal Requirement binding on Guarantor, (iii) require the consent, approval, order or authorization of, filing or registration with, or notification to any Governmental Entity, (iv) cause any Lien to be created or imposed upon any of Guarantor s assets or property or (v) violate, conflict with, require consent under, or result in the breach of or loss of benefit under, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, result in the termination of, accelerate the performance required by, or result in a right of termination or acceleration under, any of the terms, conditions or provisions of any Contract to which Guarantor is a party or by which it or any of its property is or may be bound or affected, except, in

each case of clauses (ii), (iii), (iv) and (v), as would not prevent or materially delay or materially impair Guarantor s ability to perform its obligations hereunder.

(e) Guarantor shall, promptly upon the request of the Company, reimburse, indemnify and hold harmless the Company and the Company Subsidiaries and their respective Representatives from and against any

and all losses, damages, claims and reasonable out-of-pocket costs or expenses suffered or incurred by any of them in connection with the Debt Financing and any information utilized in connection therewith (other than information provided by the Company or any of its Subsidiaries).

(f) Guarantor shall use its reasonable best efforts to obtain, or cause to be obtained, the proceeds of the Debt Financing on the terms and conditions described in the Debt Commitment Letter, including using its reasonable best efforts with respect to (i) maintaining in effect the Debt Commitment Letter (except to the extent replaced by binding commitments for the Term Loan Facility (as defined in the Debt Commitment Letter)), (ii) negotiating definitive agreements with respect to the Debt Financing consistent with the terms and conditions contained therein or, if available, on other terms that are acceptable to Guarantor in its sole discretion (subject to the restriction on amendments below) and would not adversely affect the ability of Parent to consummate the transactions contemplated herein, and (iii) satisfying on a timely basis all conditions applicable to Guarantor and its Subsidiaries to obtaining the Debt Financing that are within Guarantor s control.

(g) Guarantor shall not, without the prior written consent of the Company, (i) terminate the Debt Commitment Letter (unless the Debt Commitment Letter is replaced in a manner consistent with the following clause (ii) in order to obtain binding commitments with respect to the Term Loan Facility) or (ii) permit any amendment or modification to, or any waiver of any material provision or remedy under, or replace, the Debt Commitment Letter if such amendment, modification, waiver, or replacement (A) would add any new material conditions to the Debt Financing (or modify any existing condition in a manner adverse to Guarantor), (B) reduce the aggregate amount of the Debt Financing, (C) could reasonably be expected to prevent, impede or materially delay the consummation of the Merger and the other transactions contemplated by this Agreement or (D) could reasonably be expected to adversely impact the ability of Guarantor to enforce its rights against the Lenders or any other parties to the Debt Commitment Letter or the definitive agreements with respect thereto; provided, that Guarantor may amend the Debt Commitment Letter to add lenders, arrangers, bookrunners, syndication agents or similar entities who had not executed the Debt Commitment Letter as of the date hereof and provide such lenders, arrangers, bookrunners, syndication agents or similar entities with consent rights with respect to existing conditions to the consummation of the Debt Financing (with such debt financing commitment, as amended, modified, waived or replaced in accordance with this clause (g) or clause (h) below, to be considered for all purposes under Section 5.15 and Section 8.16, the Debt Commitment Letter hereunder and the debt financing under such debt financing commitment, to be considered for all purposes under Section 5.15 and Section 8.16, the Debt Financing hereunder; Parent shall be deemed to have made the representations set forth in Section 4.9 of this Agreement mutatis mutandis with respect to such replacement documentation as the date hereof).

(h) In the event that any portion of the aggregate amount of the Debt Financing becomes unavailable (other than as a result of voluntary termination, which shall be governed by clause (g) above), regardless of the reason therefor, Guarantor shall (i) promptly notify the Company of such unavailability and, to the knowledge of Guarantor, the reason therefor and (ii) use its reasonable best efforts to obtain, as promptly as practicable following the occurrence of such event, alternative financing (in an amount sufficient to enable the transactions contemplated by this Agreement to be consummated) from the same or other sources.

(i) In the event the Debt Commitment Letter is replaced in accordance with clause (g) or (h) above, Parent shall provide the Company drafts of the documentation relating to any replacement commitment (including any fee letter with respect thereto, redacted in customary form).

(j) In the event that all conditions set forth in Section 6.1 and Section 6.2 have been satisfied or waived (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction of such conditions) and all of the conditions set forth in the Debt Commitment Letter are satisfied or waived, on the Closing Date (as

determined in accordance with Section 1.2), Guarantor shall cause the Lenders to fund the Debt Financing, to the extent the proceeds thereof are required to consummate the Merger and the other transactions contemplated hereby, and shall enforce its rights under the Debt Commitment Letter (including in the event of any breach or purported breach thereof and including by taking enforcement action to cause the Lenders to fund such Debt Financing).

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(k) Guarantor shall keep the Company reasonably informed on a current and timely basis of the status of Guarantor s efforts to obtain the Debt Financing and to satisfy the conditions thereof, including advising and updating the Company, in a reasonable level of detail, of any breach or threatened breach of the Debt Commitment Letter by the Lenders or the Guarantor and any event that could reasonably be expected to adversely impact the ability of the Guarantor to obtain the financing on the terms set forth in the Debt Commitment Letter.

(l) Notwithstanding anything contained in this Agreement to the contrary, Guarantor expressly acknowledges and agrees that neither its obligations hereunder, nor Parent s or Merger Sub s obligations hereunder, are conditioned in any manner upon Guarantor obtaining the Debt Financing.

(m) Notwithstanding anything to the contrary contained in this Agreement, nothing contained in this Section 8.16 shall require, and in no event shall the reasonable best efforts of Guarantor be deemed or construed to require, Guarantor (or any of its affiliates, including Parent or Merger Sub) to (i) pay any fees to the Lenders in excess of those contemplated in the Debt Commitment Letter and related fee letters as of the date hereof, whether to secure waiver of any conditions contained therein or otherwise or (ii) amend or waive any of the terms or conditions hereof or under the Debt Commitment Letter.

(n) Guarantor hereby acknowledges and agrees to be subject to the provisions of this Article VIII and hereby makes to the Company the representations and warranties set forth in Section 4.9.

[*Remainder of page intentionally left blank*]

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IN WITNESS WHEREOF, Parent, Merger Sub, Guarantor and the Company have caused this Agreement to be executed by their respective officers hereunto duly authorized as of the date first above written.

ALIPAY (UK) LIMITED

By: /s/ Leiming Chen
Name: Leiming Chen
Title: Authorized Signatory

MATRIX ACQUISITION CORP.

By: /s/ Leiming Chen
Name: Leiming Chen
Title: Authorized Signatory

ALIPAY (HONG KONG) LIMITED, solely for purposes of Section 8.16 (and the sections referenced therein)

By: /s/ Leiming Chen
Name: Leiming Chen
Title: Authorized Signatory

MONEYGRAM INTERNATIONAL, INC.

By: /s/ W. Alexander Holmes
Name: W. Alexander Holmes
Title: Chief Executive Officer

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ANNEX B

VOTING AND SUPPORT AGREEMENT

This Voting and Support Agreement (this "Agreement") is made and entered into as of January 26, 2017, by and among Alipay (UK) Limited, a United Kingdom limited company ("Parent"), the persons whose names appear on the signature pages hereto (each a "Stockholder" and together, the "Stockholders") and MoneyGram International, Inc., a Delaware corporation (the "Company").

RECITALS

A. Concurrently with the execution and delivery of this Agreement, Parent, Matrix Acquisition Corp., a Delaware corporation and subsidiary of Parent ("Merger Sub") and the Company are entering into an Agreement and Plan of Merger (as it may be amended from time to time, the "Merger Agreement") that, among other things, provides for the merger of Merger Sub with and into the Company, with the Company being the surviving entity in such merger (the "Merger").

B. As an inducement and condition for Parent and Merger Sub to enter into the Merger Agreement, the Stockholders agree to enter into this Agreement with respect to all shares of common stock, par value $0.01 per share, of the Company (the "Common Stock") that the Stockholders own, beneficially (as defined in Rule 13d-3 under the Exchange Act) or of record as of the date hereof, and any additional shares of Common Stock that such Stockholders may acquire beneficial (as defined in Rule 13d-3 under the Exchange Act) or record ownership of after the date hereof (collectively, the "Covered Shares").

C. As of the date hereof, the Stockholders are the beneficial or legal owners of record, and have either sole or shared voting power over, such number of shares of Common Stock as are indicated opposite each of their names on Schedule A attached hereto.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. Definitions. Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement. When used in this Agreement, the following terms shall have the meanings assigned to them in this Section 1.

"Expiration Time" shall mean the earliest to occur of (a) the Effective Time, (b) such date and time as the Merger Agreement shall be validly terminated pursuant to Article VII thereof or (c) the date of any amendment, modification, change or waiver of any provision of the Merger Agreement that reduces the amount or changes the form of the Merger Consideration (other than adjustments in accordance with the terms of the Merger Agreement).

"Transfer" shall mean (a) any direct or indirect offer, sale, assignment, encumbrance, pledge, hypothecation, disposition, loan or other transfer (by operation of Law or otherwise), either voluntary or involuntary, or entry into any option or other Contract, arrangement or understanding with respect to any offer, sale, assignment, encumbrance, pledge, hypothecation, disposition, loan or other transfer (by operation of Law or otherwise), of any Covered Shares or any interest in any Covered Shares (in each case other than this Agreement), (b) the deposit of such Covered Shares into a voting trust, the entry into a voting agreement or arrangement (other than this Agreement) with respect to such Covered Shares or the grant of any proxy or power of attorney (other than this Agreement) with respect to such

Covered Shares, (c) entry into any hedge, swap or other transaction or

Contract which is designed to (or is reasonably expected to lead to or result in) a transfer of the economic consequences of ownership of any Covered Shares, whether any such transaction is to be settled by delivery of Covered Shares, in cash or otherwise or (d) any Contract or commitment (whether or not in writing) to take any of the actions referred to in the foregoing clauses (a), (b) or (c) above.

2. Agreement to Not Transfer the Covered Shares.

2.1 No Transfer of Covered Shares. Until the Expiration Time, the Stockholders agree not to Transfer or cause or permit the Transfer of any Covered Shares, other than with the prior written consent of Parent (to be granted or withheld in Parent s sole discretion). Any Transfer or attempted Transfer of any Covered Shares in violation of this Section 2.1 shall be null and void and of no effect whatsoever.

2.2 Update of Beneficial Ownership Information. Promptly following the written request of Parent, or upon a Stockholder s acquisition of beneficial (as defined in Rule 13d-3 under the Exchange Act) or record ownership of additional shares of Common Stock after the date hereof, such Stockholder will send to Parent a written notice setting forth the number of Covered Shares beneficially owned by such Stockholder and indicating the capacity in which such Covered Shares are owned.

3. Agreement to Vote the Covered Shares.

3.1 Until the Expiration Time, at every meeting of the Company s stockholders at which any of the following matters are to be voted on (and at every adjournment or postponement thereof), and on any action or approval of Company s stockholders by written consent with respect to any of the following matters, the Stockholders shall vote (including via proxy) the Covered Shares (or cause the holder of record on any applicable record date to vote (including via proxy) the Covered Shares):

(a) in favor of the adoption of the Merger Agreement; and

(b) against (A) any Company Acquisition Proposal, or any other proposal made in opposition to, in competition with, or inconsistent with the Merger Agreement, the Merger or the transactions contemplated by the Merger Agreement and (B) any other action, agreement or proposal which could reasonably be expected to delay, postpone or adversely affect consummation of the Merger and the other transactions contemplated by the Merger Agreement.

3.2 Until the Expiration Time, at every meeting of the Company s stockholders (and at every adjournment or postponement thereof), the Stockholders shall be represented in person or by proxy at such meeting (or cause the holders of record on any applicable record date to be represented in person or by proxy at such meeting) in order for the Covered Shares to be counted as present for purposes of establishing a quorum.

3.3 Each of the Stockholders shall execute and deliver (or cause the holders of record to execute and deliver), within three Business Days of receipt, any proxy card or voting instructions it receives that is sent to stockholders of the Company by or on behalf of the Company soliciting proxies with respect to any matter described in Section 3.1, which shall be voted in the manner described in Section 3.1. The Stockholders shall promptly confirm to Parent (and provided reasonable evidence of) such execution and delivery of such proxy card or voting instructions.

3.4 Without limiting the obligations of the Stockholders under this Agreement, the Stockholders hereby irrevocably appoint as their proxy and attorney-in-fact the officers of Parent, and any individual who shall hereafter succeed to any such officer of Parent, and any other Person designated in writing by Parent (collectively, the Proxy Holders), each of them individually, with full power of substitution, to vote the Covered Shares in accordance with this

Agreement and, in the discretion of the Proxy Holders, with respect to any proposed postponements or adjournments of meetings of the Company s stockholders at which any of the matters described in this Agreement are to be considered, in each case only in the event any such Stockholder

fails to be counted as present or fails to vote all of such Stockholder s Covered Shares in accordance with this Agreement. This proxy is coupled with an interest and shall be irrevocable, and the Stockholders shall each take such further action or execute such other instruments as may be reasonably necessary to effectuate the intent of this proxy and hereby revokes any proxy previously granted by the Stockholders with respect to the Covered Shares. Notwithstanding anything to the contrary in this Agreement, the proxy granted by this Section 3.4 shall terminate and be of no further force and effect upon the Expiration Time.

3.5 (a) Notwithstanding the foregoing and subject to Section 11.16, if the Company Board makes a Change of Recommendation (other than in connection with a Company Acquisition Proposal) in accordance with Section 5.4(e) of the Merger Agreement, then if the aggregate number of shares of Common Stock subject to this Agreement and any other voting agreements between Parent and other stockholders of the Company relating to the matters set forth in Section 3.1 (the Other Voting Agreements) exceeds thirty-five-percent (35%) of the total number of outstanding shares of Common Stock as of the record date for any meeting at which any matters set forth in Section 3.1 are to be voted on (the Covered Shares Cap), then the obligation of the Stockholders to vote the Covered Shares in accordance with Section 3 shall be modified such that (i) the Stockholders, together with the other stockholders of the Company party to such Other Voting Agreements, shall only be required to collectively vote an aggregate number of shares of Common Stock equal to the Covered Shares Cap and (ii) notwithstanding any other provision of this Agreement or any Other Voting Agreement, the number of shares of Common Stock subject to the obligations set forth in Section 3 of this Agreement (and the number of shares of Common Stock subject to the corresponding obligations in each Other Voting Agreement) shall be reduced on a pro rata basis in accordance with the number of votes the Stockholders and each other such stockholder is entitled to cast in each case only to the extent required to limit the aggregate number of shares of Common Stock subject to such obligations to the Covered Shares Cap as set forth in clause (i) above. The Stockholders, in their discretion, shall be entitled to vote all of the Stockholders shares of Common Stock which are no longer subject to this Agreement as a result of this Section 3.5(a) in any manner the Stockholders choose, which shares of Common Stock will no longer be subject to the irrevocable proxy set forth in Section 3.4 above.

(b) Within 3 Business Days following a Change of Recommendation (other than in connection with a Company Acquisition Proposal) the Company shall send a written notice setting forth the number of shares of Common Stock owned by the Stockholders that, as a result of the application of Section 3.5(a), are no longer subject to this Agreement and therefore are not deemed Covered Shares under this Agreement, together with supporting calculations based upon the number of shares of Common Stock outstanding as of the record date of the Company Stockholder Meeting, the number of Covered Shares under this Agreement and the number of shares of Common Stock subject to the Other Voting Agreements.

4. Waiver of Appraisal Rights. Solely with respect to the Merger Agreement and the transactions contemplated thereby, each Stockholder hereby waives all appraisal rights under Section 262 of the DGCL with respect to all Covered Shares owned (beneficially or of record) by such Stockholder.

5. No Solicitation.

5.1 Until the Expiration Time, the Stockholders shall not, and shall direct their respective Representatives not to, directly or indirectly, take any of the actions set forth in clauses (i) through (v) of Section 5.4(a) of the Merger Agreement (without giving effect to any amendment or modification of such clauses after the date hereof). The Stockholders shall, and shall use reasonable best efforts to cause their respective Representatives to, immediately cease and cause to be terminated any activities, discussions or negotiations conducted before the date of this Agreement with any persons other than Parent with respect to any Company Acquisition Proposal. In addition, the Stockholders each agree to be subject to Section 5.4(c) of the Merger Agreement (without giving effect to any amendment or modification of such clauses after the date hereof) as if each were the Company thereunder (including

with respect to the obligations to notify Parent orally and in writing promptly (but in any event within two (2) days) after receipt of any Company Acquisition Proposal (or any change to the financial or other material terms and conditions of any Company Acquisition Proposal) and to

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otherwise keep Parent reasonably informed on a current basis of the status of any such Company Acquisition Proposal (including by providing copies of all proposals, offers and drafts of proposed agreements related thereto)).

5.2 Notwithstanding the foregoing, solely to the extent the Company is permitted, pursuant to Section 5.4(b) of the Merger Agreement, to have discussions or negotiations with a person making a Company Acquisition Proposal, the Stockholders and their respective Representatives shall be permitted to participate in such discussions or negotiations with such person making such Company Acquisition Proposal, subject to compliance by the Stockholders with the last sentence of Section 5.1 above.

6. No Legal Action. The Stockholders shall not, and shall direct their respective Representatives not to, bring, commence, institute, maintain, voluntarily aid or prosecute any claim, appeal, or proceeding which (a) challenges the validity of or seeks to enjoin the operation of any provision of this Agreement or (b) alleges that the execution and delivery of this Agreement by the Stockholders (or their performance hereunder) breaches any fiduciary duty of the Company s board of directors (or any member thereof) or any duty that such Stockholders have (or may be alleged to have) to the Company or to the other holders of the Common Stock.

7. Fiduciary Duties. Nothing in this Agreement shall restrict or affect any action or inaction of Stockholders designees serving on the board of directors of the Company, acting in such person s capacity as a director of the Company, including complying, subject to the provisions of the Merger Agreement, with his or her fiduciary obligations as a director of the Company. Each Stockholder is entering into this Agreement solely in its capacity as the record holder or beneficial owner of such Stockholder s Covered Shares. No action or inaction taken or failed to be taken in such capacity as a director shall be deemed to constitute a breach of this Agreement.

8. Notice of Certain Events. Each Stockholder shall notify Parent in writing promptly of (a) any fact, event or circumstance that would constitute a breach of the representations and warranties of such Stockholder under this Agreement or (b) the receipt by such Stockholder of any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with this Agreement.

9. Representations and Warranties of the Stockholders. The Stockholders hereby jointly and severally represent and warrant to Parent that:

9.1 Due Authority. The Stockholders have the full power and capacity to make, enter into and carry out the terms of this Agreement and to grant the irrevocable proxy as set forth in Section 3 hereof. Each of the Stockholders is duly organized, validly existing and in good standing in accordance with the laws of its jurisdiction of formation. The execution and delivery of this Agreement, the performance of the Stockholders obligations hereunder, and the consummation of the transactions contemplated hereby have been validly authorized, and no other consents or authorizations are required to give effect to this Agreement or the transactions contemplated by this Agreement. This Agreement has been duly and validly executed and delivered by each of the Stockholders and constitutes a valid and binding obligation of the Stockholders enforceable against it in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar Laws affecting creditors rights and remedies generally.

9.2 Ownership of the Covered Shares. (a) Each Stockholder is, as of the date hereof, the beneficial or record owner of the Covered Shares indicated on Schedule A hereto opposite such Stockholder s name, free and clear of any and all Liens, other than those created by this Agreement or as disclosed on Schedule A and (b) each Stockholder has sole voting power over all of the Covered Shares beneficially owned by such Stockholder. None of the Stockholders has entered into any agreement to Transfer any Covered Shares. As of the date hereof, the Stockholders do not own, beneficially or of record, any shares of Common Stock or other voting shares of the Company (or any securities

convertible, exercisable or exchangeable for, or rights to purchase or acquire, any shares of Common Stock or other voting shares of the Company) other than the shares of Common Stock set forth on Schedule A opposite each Stockholder s name.

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9.3 No Conflict; Consents.

(a) The execution and delivery of this Agreement by the Stockholders does not, and the performance by the Stockholders of their obligations under this Agreement and the compliance by the Stockholders with any provisions hereof does not and will not: (a) conflict with or violate any Laws applicable to the Stockholders, or (b) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a Lien on any of the Covered Shares beneficially owned by such Stockholder pursuant to any Contract or obligation to which any of the Stockholders is a party or by which any of the Stockholders is subject.

(b) No consent, approval, order or authorization of, or registration, declaration or, except as required by the rules and regulations promulgated under the Exchange Act, filing with, any Governmental Entity or any other Person, is required by or with respect to any of the Stockholders in connection with the execution and delivery of this Agreement or the consummation by them of the transactions contemplated hereby.

9.4 Absence of Litigation. There is no legal action pending against, or, to the knowledge of any of the Stockholders, threatened against or affecting any of the Stockholders that could reasonably be expected to materially impair or materially adversely affect the ability of any of the Stockholders to perform such party s obligations hereunder or to consummate the transactions contemplated hereby on a timely basis.

10. Representations and Warranties of Parent. Parent hereby represents and warrants to the Stockholders that:

10.1 Due Authority. Parent has the full power and capacity to make, enter into and carry out the terms of this Agreement. Parent is duly organized, validly existing and in good standing in accordance with the laws of its jurisdiction of formation. The execution and delivery of this Agreement, the performance of Parent s obligations hereunder, and the consummation of the transactions contemplated hereby has been validly authorized, and no other consents or authorizations are required to give effect to this Agreement or the transactions contemplated by this Agreement. This Agreement has been duly and validly executed and delivered by Parent and constitutes a valid and binding obligation of Parent enforceable against it in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar Laws affecting creditors rights and remedies generally.

10.2 No Conflict; Consents.

(a) The execution and delivery of this Agreement by Parent does not, and the performance by Parent of its obligations under this Agreement and the compliance by Parent with the provisions hereof do not and will not: (a) conflict with or violate any Laws applicable to Parent, or (b) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a material default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, pursuant to any Contract or obligation to which Parent is a party or by which Parent is subject.

(b) No consent, approval, order or authorization of, or registration, declaration or, except as required by the rules and regulations promulgated under the Exchange Act, filing with, any Governmental Entity or any other Person, is required by or with respect to Parent in connection with the execution and delivery of this Agreement or the consummation by Parent of the transactions contemplated hereby.

10.3 Absence of Litigation. There is no legal action pending against, or, to the knowledge of Parent, threatened against or affecting Parent that could reasonably be expected to materially impair or materially adversely affect the ability of

Parent to perform its obligations hereunder or to consummate the transactions contemplated hereby on a timely basis.

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11. Miscellaneous.

11.1 No Ownership Interest. Nothing contained in this Agreement shall be deemed to vest in Parent any direct or indirect ownership or incidence of ownership of or with respect to the Covered Shares. All rights, ownership and economic benefits of and relating to the Covered Shares shall remain vested in and belong to the Stockholders, and Parent shall have no authority to direct the Stockholders in the voting or disposition of any of the Covered Shares, except as otherwise provided herein.

11.2 Certain Adjustments. In the event of a stock split, stock dividend or distribution, or any change in the Common Stock by reason of any split-up, reverse stock split, recapitalization, combination, reclassification, exchange of shares or the like, the terms Common Stock and Covered Shares shall be deemed to refer to and include such shares as well as all such stock dividends and distributions and any securities into which or for which any or all of such shares may be changed or exchanged or which are received in such transaction.

11.3 Amendments and Modifications. This Agreement may not be modified, amended, altered or supplemented except upon the execution and delivery of a written agreement executed by all of the parties hereto.

11.4 Expenses. All costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense.

11.5 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by facsimile (upon confirmation of receipt) on the first (1st) Business Day following the date of dispatch if delivered by a recognized next day courier service, or on the third (3rd) Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

(i) if to any Stockholder, to the address set forth for such party on Schedule A

with a copy to (which shall not be considered notice):

Name: Weil, Gotshal & Manges LLP

Address: 767 Fifth Avenue

New York, New York 10153

Fax: (212) 310-8007

Attn: Michael J. Aiello

(ii) if to Parent, to:

Alipay (UK) Limited

c/o 26/F Tower One, Times Square

1 Matheson Street

Causeway Bay, Hong Kong

Attn: General Counsel

Fax: (852) 2215-5321

with a copy to (which shall not be considered notice):

Name: Simpson Thacher & Bartlett LLP

Address: 425 Lexington Avenue

New York, New York 10017

Fax: (212) 455-2502

Attention: Lee Meyerson

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and

Simpson Thacher & Bartlett LLP

ICBC Tower 35th Floor

3 Garden Road, Central

Hong Kong, China

Fax: (852) 2869-7694

Attention: Kathryn King Sudol

(iii) if to Company, to:

MoneyGram International, Inc.

2828 N. Harwood St., 15th Floor

Dallas, TX 75201

Fax: (214) 999-7670

Attn: Aaron Henry

with a copy to (which shall not constitute notice):

Vinson & Elkins LLP

Trammell Crow Center

2001 Ross Avenue

Suite 3700

Dallas, TX 75201-2975

Attention: Alan J. Bogdanow

Fax: (214) 999-7857

and

Vinson & Elkins LLP

1001 Fannin Street

Suite 2500

Houston, TX 77002- 6760

Attn: Lande Spottswood

Fax: (713) 615-5171

11.6 Jurisdiction; Waiver of Jury.

(a) Each of the parties irrevocably submits to the exclusive jurisdiction of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, of any Delaware state or federal court within the State of Delaware) for the purpose of any Claim directly or indirectly based upon, arising out of or relating to this Agreement, any of the transactions contemplated by this Agreement or the actions of Parent or the Stockholders in the negotiation, administration, performance and enforcement hereof and thereof. Each of the parties (i) consents to submit itself to the personal jurisdiction of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, of any Delaware state or federal court within the State of Delaware) with respect to any matter relating to or arising under this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and (iii) agrees that it will not bring any such proceeding in any court other than the Delaware state or federal courts within the State of Delaware, as described above. Each of Parent and the Stockholders irrevocably consents to the service of process out of any of the aforementioned courts in any such action, suit or proceeding by the mailing of copies thereof by registered mail, postage prepaid, to such party at its address specified pursuant to Section 11.5, such service of process to be effective upon acknowledgment of receipt of such registered mail.

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(b) EACH OF PARENT AND THE STOCKHOLDERS HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR THE ACTIONS OF PARENT OR THE STOCKHOLDERS IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF AND THEREOF.

11.7 Documentation and Information. Each of the Stockholders consent to and authorizes the publication and disclosure by the Company of the Stockholders identities and holding of the Covered Shares, and the terms of this Agreement (including, for the avoidance of doubt, the disclosure of this Agreement), in any press release, the Proxy Statement and any other disclosure document required in connection with the Merger Agreement, the Merger and the transactions contemplated by the Merger Agreement. The Company will provide legal counsel to the Stockholders with a reasonable opportunity to review and comment on drafts of such disclosure documents with respect to references to the Stockholders contained therein prior to the filing or public disclosure of such disclosure documents.

11.8 Specific Performance. Each of Parent and the Stockholders agree that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with their specific terms on a timely basis or were otherwise breached. It is accordingly agreed that Parent and the Stockholders shall be entitled to injunctive or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court identified in Section 11.6(a) above, this being in addition to any other remedy to which they are entitled at law or in equity.

11.9 Entire Agreement. This Agreement contains the entire understanding of the parties in respect of the subject matter hereof, and supersedes all prior negotiations and understandings, both written and oral, between the parties with respect to such subject matter. For the avoidance of doubt, nothing in this Agreement shall be deemed to amend, alter or modify, in any respect, any of the provisions of the Merger Agreement.

11.10 Reliance. The Stockholders understand and acknowledge that Parent and Merger Sub are entering into the Merger Agreement in reliance upon such Stockholders execution and delivery of this Agreement.

11.11 Interpretation. This Agreement and any documents or instruments delivered pursuant hereto or in connection herewith shall be construed without regard to the identity of the person who drafted the various provisions of the same. Each and every provision of this Agreement and such other documents and instruments shall be construed as though all of the parties participated equally in the drafting of the same. Consequently, the parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting party shall not be applicable either to this Agreement or such other documents and instruments. The words hereof, herein and hereunder and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section references are to this Agreement unless otherwise specified. Whenever the words include, includes or including are used in this Agreement, they shall be deemed to be followed by the words without limitation. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. In this Agreement, all references to dollars or $ are to United States dollars. References to a party or to the parties to this Agreement refers to the Parent and the Stockholders, individually or collectively, as the case may be.

11.12 Assignment. Neither this Agreement nor any of the rights, interests or obligations of any party hereunder shall be assigned by any of the parties hereto (whether by operation of Law or otherwise) without the prior written consent of the other party.

11.13 Severability. Any term or provision of this Agreement which is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction, be

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ineffective to the extent of such invalidity or unenforceability without rendering invalid, illegal or unenforceable the remaining terms and provisions of this Agreement or affecting the validity, legality or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction, and if any provision of this Agreement is determined to be so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable, in all cases so long as neither the economic nor legal substance of the transactions contemplated hereby is affected in any manner materially adverse to any party or its stockholders. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

11.14 Counterparts. This Agreement may be executed by facsimile and in counterparts, all of which shall be considered an original and one and the same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

11.15 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware (without giving effect to choice of law principles thereof).

11.16 Termination. This Agreement shall automatically terminate without further action by any of the parties hereto and shall have no further force or effect as of the Expiration Time.

[*Signature page follows*]

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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered on the date and year first above written.

ALIPAY (UK) LIMITED

By: /s/ Leiming Chen
Name: Leiming Chen
Title: Authorized Signatory

[Signature Page to Voting and Support Agreement]

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STOCKHOLDERS:

THOMAS H. LEE EQUITY FUND VI, L.P.
By: THL Equity Advisors VI, LLC, its general partner
By: Thomas H. Lee Partners, L.P., its sole member
By: Thomas H. Lee Advisors, LLC, its general partner
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

THOMAS H. LEE PARALLEL FUND VI, L.P.
By: THL Equity Advisors VI, LLC, its general partner
By: Thomas H. Lee Partners, L.P., its sole member
By: Thomas H. Lee Advisors, LLC, its general partner
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

THOMAS H. LEE PARALLEL (DT) FUND VI, L.P.
By: THL Equity Advisors VI, LLC, its general partner
By: Thomas H. Lee Partners, L.P., its sole member
By: Thomas H. Lee Advisors, LLC, its general partner
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

THL EQUITY FUND VI INVESTORS (MONEYGRAM), LLC
By: THL Equity Advisors VI, LLC, its manager
By: Thomas H. Lee Partners, L.P., its general partner
By: Thomas H. Lee Advisors, LLC, its attorney-in-fact
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

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THL COINVESTMENT PARTNERS, L.P.
By: Thomas H. Lee Partners, L.P., its general partner
By: Thomas H. Lee Advisors, LLC, its general partner
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

THL OPERATING PARTNERS, L.P.
By: Thomas H. Lee Partners, L.P., its general partner
By: Thomas H. Lee Advisors, LLC, its general partner
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

THL MANAGERS VI, LLC
By: Thomas H. Lee Partners, L.P., its managing member
By: Thomas H. Lee Advisors, LLC, its general partner
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

PUTNAM INVESTMENTS EMPLOYEES SECURITIES COMPANY III LLC
By: Putnam Investments Holdings, LLC, its managing member
By: Putnam Investments, LLC its managing member
By: Thomas H. Lee Advisors, LLC, its attorney-in-fact
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

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GREAT-WEST INVESTORS, L.P.
By: Thomas H. Lee Advisors, LLC, its attorney-in-fact
By: THL Holdco, LLC, its managing member

By: /s/ Charles P. Holden
Name: Charles P. Holden
Title: Managing Director

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MONEYGRAM INTERNATIONAL, INC.

By: /s/ W. Alexander Holmes
Name: W. Alexander Holmes
Title: Chief Executive Officer

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SCHEDULE A

Name	Address for Notice	Covered Shares
Thomas H. Lee Equity Fund VI, L.P.	c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel Fax: (617) 227-3514	13,056,740
Thomas H. Lee Parallel Fund VI, L.P.	c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel Fax: (617) 227-3514	8,841,330
Thomas H. Lee Parallel (DT) Fund VI, L.P.	c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel Fax: (617) 227-3514	1,544,404
THL Equity Fund VI Investors (MoneyGram), LLC	c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel Fax: (617) 227-3514	48,881
THL Coinvestment Partners, L.P.	c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel	37,296

		Fax: (617) 227-3514	
THL Operating Partners, L.P.		c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel Fax: (617) 227-3514	45,950
THL Managers VI, LLC		c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel Fax: (617) 227-3514	30,006
Putnam Investments Employees Company III LLC	Securities	c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel Fax: (617) 227-3514	66,613
Great-West Investors, L.P.		c/o Thomas H. Lee Partners, L.P. 100 Federal Street Boston, MA 02110 Attention: General Counsel Fax: (617) 227-3514	66,638
		Total:	**23,737,858**

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ANNEX C

VOTING AND SUPPORT AGREEMENT

This Voting and Support Agreement (this "Agreement") is made and entered into as of January 26, 2017, by and among Alipay (UK) Limited, a United Kingdom limited company ("Parent"), and the person whose name appears on the signature pages hereto (the "Stockholder") and MoneyGram International, Inc., a Delaware corporation (the "Company").

RECITALS

A. Concurrently with the execution and delivery of this Agreement, Parent, Matrix Acquisition Corp., a Delaware corporation and subsidiary of Parent ("Merger Sub") and the Company are entering into an Agreement and Plan of Merger (as it may be amended from time to time, the "Merger Agreement") that, among other things, provides for the merger of Merger Sub with and into the Company, with the Company being the surviving entity in such merger (the "Merger").

B. As an inducement and condition for Parent and Merger Sub to enter into the Merger Agreement, the Stockholder agrees to enter into this Agreement with respect to all shares of common stock, par value $0.01 per share, of the Company (the "Common Stock") that the Stockholder owns, beneficially (as defined in Rule 13d-3 under the Exchange Act) or of record as of the date hereof, and any additional shares of Common Stock that such Stockholder may acquire beneficial (as defined in Rule 13d-3 under the Exchange Act) or record ownership of after the date hereof (collectively, the "Covered Shares").

C. As of the date hereof, the Stockholder is the beneficial or legal owners of record, and have either sole or shared voting power over, such number of shares of Common Stock as are indicated opposite such Stockholder's name on Schedule A attached hereto.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. Definitions. Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement. When used in this Agreement, the following terms shall have the meanings assigned to them in this Section 1.

"Expiration Time" shall mean the earliest to occur of (a) the Effective Time, (b) such date and time as the Merger Agreement shall be validly terminated pursuant to Article VII thereof or (c) the date of any amendment, modification, change or waiver of any provision of the Merger Agreement that reduces the amount or changes the form of the Merger Consideration (other than adjustments in accordance with the terms of the Merger Agreement).

"Transfer" shall mean (a) any direct or indirect offer, sale, assignment, encumbrance, pledge, hypothecation, disposition, loan or other transfer (by operation of Law or otherwise), either voluntary or involuntary, or entry into any option or other Contract, arrangement or understanding with respect to any offer, sale, assignment, encumbrance, pledge, hypothecation, disposition, loan or other transfer (by operation of Law or otherwise), of any Covered Shares or any interest in any Covered Shares (in each case other than this Agreement), (b) the deposit of such Covered Shares into a voting trust, the entry into a voting agreement or arrangement (other than this Agreement) with respect to such Covered Shares or the grant of any proxy or power of attorney (other than this Agreement) with respect to such Covered Shares, (c) entry into any hedge, swap or other transaction or Contract which is designed to (or is reasonably

expected to lead to or result in) a transfer of the economic

consequences of ownership of any Covered Shares, whether any such transaction is to be settled by delivery of Covered Shares, in cash or otherwise or (d) any Contract or commitment (whether or not in writing) to take any of the actions referred to in the foregoing clauses (a), (b) or (c) above.

2. Agreement to Not Transfer the Covered Shares.

2.1 No Transfer of Covered Shares. Until the Expiration Time, the Stockholder agrees not to, Transfer or cause or permit the Transfer of any Covered Shares, other than with the prior written consent of Parent (to be granted or withheld in Parent s sole discretion). Any Transfer or attempted Transfer of any Covered Shares in violation of this Section 2.1 shall be null and void and of no effect whatsoever. Notwithstanding anything in this Agreement to the contrary, such Stockholder may Transfer Covered Shares (a) to any member of such Stockholder s immediate family, (b) to a trust for the benefit of such Stockholder or any member of such Stockholder s immediate family, (c) by will or operation of law, (d) in connection with or for the purpose of personal tax-planning or estate-planning or (e) for charitable purposes or as charitable gifts or donations; provided that a Transfer referred to in clause (a) through (e) of this Section 2.1 will be permitted only if the transferee agrees in writing to be bound by the terms of this Agreement. In addition, notwithstanding anything in this Agreement to the contrary, the Stockholder may sell or net settle a sufficient number of Common Stock to cover the tax withholding obligations resulting from the vesting and conversion of Company RSUs or the exercise of Company Options and to cover the payment of the exercise price related to the exercise of Company Options.

2.2 Update of Beneficial Ownership Information. Promptly following the written request of Parent, or upon the Stockholder s acquisition of beneficial (as defined in Rule 13d-3 under the Exchange Act) or record ownership of additional shares of Common Stock after the date hereof, the Stockholder will send to Parent a written notice setting forth the number of Covered Shares beneficially owned by the Stockholder and indicating the capacity in which such Covered Shares are owned.

3. Agreement to Vote the Covered Shares.

3.1 Until the Expiration Time, at every meeting of the Company s stockholders at which any of the following matters are to be voted on (and at every adjournment or postponement thereof), and on any action or approval of Company s stockholders by written consent with respect to any of the following matters, the Stockholder shall vote (including via proxy) the Covered Shares (or cause the holder of record on any applicable record date to vote (including via proxy) the Covered Shares):

(a) in favor of the adoption of the Merger Agreement; and

(b) against (A) any Company Acquisition Proposal, or any other proposal made in opposition to, in competition with, or inconsistent with the Merger Agreement, the Merger or the transactions contemplated by the Merger Agreement and (B) any other action, agreement or proposal which could reasonably be expected to delay, postpone or adversely affect consummation of the Merger and the other transactions contemplated by the Merger Agreement.

3.2 Until the Expiration Time, at every meeting of the Company s stockholders (and at every adjournment or postponement thereof), the Stockholder shall be represented in person or by proxy at such meeting (or cause the holders of record on any applicable record date to be represented in person or by proxy at such meeting) in order for the Covered Shares to be counted as present for purposes of establishing a quorum.

3.3 The Stockholder shall execute and deliver (or cause the holders of record to execute and deliver), within three Business Days of receipt, any proxy card or voting instructions it receives that is sent to stockholders of the Company

by or on behalf of the Company soliciting proxies with respect to any matter described in Section 3.1, which shall be voted in the manner described in Section 3.1. The Stockholder shall promptly confirm to Parent (and provided reasonable evidence of) such execution and delivery of such proxy card or voting instructions.

3.4 Without limiting the obligations of the Stockholder under this Agreement, the Stockholder hereby irrevocably appoints as their proxy and attorney-in-fact the officers of Parent, and any individual who shall hereafter succeed to any such officer of Parent, and any other Person designated in writing by Parent (collectively, the Proxy Holders), each of them individually, with full power of substitution, to vote the Covered Shares in accordance with this Agreement and, in the discretion of the Proxy Holders, with respect to any proposed postponements or adjournments of meetings of the Company s stockholders at which any of the matters described in this Agreement are to be considered, in each case only in the event the Stockholder fails to be counted as present or fails to vote all of the Stockholder s Covered Shares in accordance with this Agreement. This proxy is coupled with an interest and shall be irrevocable, and the Stockholder shall each take such further action or execute such other instruments as may be reasonably necessary to effectuate the intent of this proxy and hereby revokes any proxy previously granted by the Stockholder with respect to the Covered Shares. Notwithstanding anything to the contrary in this Agreement, the proxy granted by this Section 3.4 shall terminate and be of no further force and effect upon the Expiration Time.

3.5 (a) Notwithstanding the foregoing and subject to Section 11.16, if the Company Board makes a Change of Recommendation (other than in connection with a Company Acquisition Proposal) in accordance with Section 5.4(e) of the Merger Agreement, then if the aggregate number of shares of Common Stock subject to this Agreement and any other voting agreements between Parent and other stockholders of the Company relating to the matters set forth in Section 3.1 (the Other Voting Agreements) exceeds thirty-five-percent (35%) of the total number of outstanding shares of Common Stock as of the record date for any meeting at which any matters set forth in Section 3.1 are to be voted on (the Covered Shares Cap), then the obligation of the Stockholder to vote the Covered Shares in accordance with Section 3 shall be modified such that (i) the Stockholder, together with the other stockholders of the Company party to such Other Voting Agreements, shall only be required to collectively vote an aggregate number of shares of Common Stock equal to the Covered Shares Cap and (ii) notwithstanding any other provision of this Agreement or any Other Voting Agreement, the number of shares of Common Stock subject to the obligations set forth in Section 3 of this Agreement (and the number of shares of Common Stock subject to the corresponding obligations in each Other Voting Agreement) shall be reduced on a pro rata basis in accordance with the number of votes the Stockholder and each other such stockholder is entitled to cast in each case only to the extent required to limit the aggregate number of shares of Common Stock subject to such obligations to the Covered Shares Cap as set forth in clause (i) above. The Stockholder, in his or her discretion, shall be entitled to vote all of the Stockholder s shares of Common Stock which are no longer subject to this Agreement as a result of this Section 3.5(a) in any manner the Stockholder chooses, which shares of Common Stock will no longer be subject to the irrevocable proxy set forth in Section 3.4 above.

(b) Within 3 Business Days following a Change of Recommendation (other than in connection with a Company Acquisition Proposal) the Company shall send a written notice setting forth the number of shares of Common Stock owned by the Stockholder that, as a result of the application of Section 3.5(a), are no longer subject to this Agreement and therefore are not deemed Covered Shares under this Agreement, together with supporting calculations based upon the number of shares of Common Stock outstanding as of the record date of the Company Stockholder Meeting, the number of Covered Shares under this Agreement and the number of shares of Common Stock subject to the Other Voting Agreements.

4. Waiver of Appraisal Rights. Solely with respect to the Merger Agreement and the transactions contemplated thereby, the Stockholder hereby waives all appraisal rights under Section 262 of the DGCL with respect to all Covered Shares owned (beneficially or of record) by the Stockholder.

5. No Legal Action. The Stockholder shall not bring, commence, institute, maintain, voluntarily aid or prosecute any claim, appeal, or proceeding which (a) challenges the validity of or seeks to enjoin the operation of any provision of this Agreement or (b) alleges that the execution and delivery of this Agreement by the Stockholder (or the Stockholder s performance hereunder) breaches any fiduciary duty of the Company s board of directors (or any member

thereof) or any duty that the Stockholder has (or may be alleged to have) to the Company or to the other holders of the Common Stock.

6. Fiduciary Duties. Nothing in this Agreement shall restrict or affect any action or inaction of the Stockholder, acting in such person s capacity as a director or officer of the Company, including complying, subject to the provisions of the Merger Agreement, with his or her fiduciary obligations as a director of the Company. The Stockholder is entering into this Agreement solely in his or her capacity as the record holder or beneficial owner of the Stockholder s Covered Shares. No action or inaction taken or failed to be taken in such capacity as a director shall be deemed to constitute a breach of this Agreement.

7. Notice of Certain Events. The Stockholder shall notify Parent in writing promptly of (a) any fact, event or circumstance that would constitute a breach of the representations and warranties of the Stockholder under this Agreement or (b) the receipt by the Stockholder of any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with this Agreement.

8. Representations and Warranties of the Stockholder. The Stockholder hereby represents and warrants to Parent that:

8.1 Due Authority. The Stockholder has the full power and capacity to make, enter into and carry out the terms of this Agreement and to grant the irrevocable proxy as set forth in Section 3 hereof. The execution and delivery of this Agreement, the performance of the Stockholder s obligations hereunder, and the consummation of the transactions contemplated hereby have been validly authorized, and no other consents or authorizations are required to give effect to this Agreement or the transactions contemplated by this Agreement. This Agreement has been duly and validly executed and delivered by the Stockholder and constitutes a valid and binding obligation of the Stockholder enforceable against him or her in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar Laws affecting creditors rights and remedies generally.

8.2 Ownership of the Covered Shares. (a) The Stockholder is, as of the date hereof, the beneficial or record owner of the Covered Shares indicated on Schedule A hereto opposite the Stockholder s name, free and clear of any and all Liens, other than those created by this Agreement or as disclosed on Schedule A and (b) the Stockholder has sole voting power over all of the Covered Shares beneficially owned by the Stockholder. The Stockholder has not entered into any agreement to Transfer any Covered Shares.

8.3 No Conflict; Consents.

(a) The execution and delivery of this Agreement by the Stockholder does not, and the performance by the Stockholder of his or her obligations under this Agreement and the compliance by the Stockholder with any provisions hereof do not and will not: (a) conflict with or violate any Laws applicable to the Stockholder, or (b) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a Lien on any of the Covered Shares beneficially owned by the Stockholder pursuant to any Contract or obligation to which the Stockholder is a party or by which the Stockholder is subject.

(b) No consent, approval, order or authorization of, or registration, declaration or, except as required by the rules and regulations promulgated under the Exchange Act, filing with, any Governmental Entity or any other Person, is required by or with respect to the Stockholder in connection with the execution and delivery of this Agreement or the consummation by them of the transactions contemplated hereby.

8.4 Absence of Litigation. There is no legal action pending against, or, to the knowledge of the Stockholder, threatened against or affecting the Stockholder that could reasonably be expected to materially impair or materially adversely affect the ability of the Stockholder to perform such party s obligations hereunder or to consummate the

transactions contemplated hereby on a timely basis.

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9. Representations and Warranties of Parent. Parent hereby represents and warrants to the Stockholder that:

9.1 Due Authority. Parent has the full power and capacity to make, enter into and carry out the terms of this Agreement. Parent is duly organized, validly existing and in good standing in accordance with the laws of its jurisdiction of formation. The execution and delivery of this Agreement, the performance of Parent s obligations hereunder, and the consummation of the transactions contemplated hereby has been validly authorized, and no other consents or authorizations are required to give effect to this Agreement or the transactions contemplated by this Agreement. This Agreement has been duly and validly executed and delivered by Parent and constitutes a valid and binding obligation of Parent enforceable against it in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar Laws affecting creditors rights and remedies generally.

9.2 No Conflict; Consents.

(a) The execution and delivery of this Agreement by Parent does not, and the performance by Parent of its obligations under this Agreement and the compliance by Parent with the provisions hereof do not and will not: (a) conflict with or violate any Laws applicable to Parent, or (b) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a material default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, pursuant to any Contract or obligation to which Parent is a party or by which Parent is subject.

(b) No consent, approval, order or authorization of, or registration, declaration or, except as required by the rules and regulations promulgated under the Exchange Act, filing with, any Governmental Entity or any other Person, is required by or with respect to Parent in connection with the execution and delivery of this Agreement or the consummation by Parent of the transactions contemplated hereby.

9.3 Absence of Litigation. There is no legal action pending against, or, to the knowledge of Parent, threatened against or affecting Parent that could reasonably be expected to materially impair or materially adversely affect the ability of Parent to perform its obligations hereunder or to consummate the transactions contemplated hereby on a timely basis.

10. Miscellaneous.

10.1 No Ownership Interest. Nothing contained in this Agreement shall be deemed to vest in Parent any direct or indirect ownership or incidence of ownership of or with respect to the Covered Shares. All rights, ownership and economic benefits of and relating to the Covered Shares shall remain vested in and belong to the Stockholder, and Parent shall have no authority to direct the Stockholder in the voting or disposition of any of the Covered Shares, except as otherwise provided herein.

10.2 Certain Adjustments. In the event of a stock split, stock dividend or distribution, or any change in the Common Stock by reason of any split-up, reverse stock split, recapitalization, combination, reclassification, exchange of shares or the like, the terms Common Stock and Covered Shares shall be deemed to refer to and include such shares as well as all such stock dividends and distributions and any securities into which or for which any or all of such shares may be changed or exchanged or which are received in such transaction.

10.3 Amendments and Modifications. This Agreement may not be modified, amended, altered or supplemented except upon the execution and delivery of a written agreement executed by all of the parties hereto.

10.4 Expenses. All costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense.

10.5 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by facsimile (upon confirmation of receipt) on the first (1st) Business Day

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following the date of dispatch if delivered by a recognized next day courier service, or on the third (3rd) Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

(i) if to any Stockholder, to the address set forth for such party on Schedule A

with a copy to (which shall not be considered notice):

Name:

Address:

Fax:

Attention:

(ii) if to Parent, to:

Alipay (UK) Limited

c/o 26/F Tower One, Times Square

1 Matheson Street

Causeway Bay, Hong Kong

Attn: General Counsel

Fax: (852) 2215-5321

with a copy to (which shall not be considered notice):

Name: Simpson Thacher & Bartlett LLP

Address: 425 Lexington Avenue

New York, New York 10017

Fax: (212) 455-2502

Attention: Lee Meyerson

and

Simpson Thacher & Bartlett LLP

ICBC Tower 35th Floor

3 Garden Road, Central

Hong Kong, China

Fax: (852) 2869-7694

Attention: Kathryn King Sudol

(iii) if to Company, to:

MoneyGram International, Inc.

2828 N. Harwood Street, 15th Floor

Dallas, Texas

Fax: (214) 999-7670

Attention: Aaron Henry

with a copy to (which shall not constitute notice):

Vinson & Elkins LLP

Trammell Crow Center

2001 Ross Avenue

Suite 3700

Dallas, TX 75201-2975

Attention: Alan J. Bogdanow

Fax: (214) 999-7857

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and

Vinson & Elkins LLP

1001 Fannin Street

Suite 2500

Houston, TX 77002- 6760

Attn: Lande Spottswood

10.6 Jurisdiction; Waiver of Jury.

(a) Each of the parties irrevocably submits to the exclusive jurisdiction of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, of any Delaware state or federal court within the State of Delaware) for the purpose of any Claim directly or indirectly based upon, arising out of or relating to this Agreement, any of the transactions contemplated by this Agreement or the actions of Parent, or the Stockholder in the negotiation, administration, performance and enforcement hereof and thereof. Each of the parties (i) consents to submit itself to the personal jurisdiction of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, of any Delaware state or federal court within the State of Delaware) with respect to any matter relating to or arising under this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and (iii) agrees that it will not bring any such proceeding in any court other than the Delaware state or federal courts within the State of Delaware, as described above. Each of Parent and the Stockholder irrevocably consents to the service of process out of any of the aforementioned courts in any such action, suit or proceeding by the mailing of copies thereof by registered mail, postage prepaid, to such party at its address specified pursuant to Section 11.5, such service of process to be effective upon acknowledgment of receipt of such registered mail.

(b) EACH OF PARENT AND THE STOCKHOLDER HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR THE ACTIONS OF PARENT OR THE STOCKHOLDER IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF AND THEREOF.

10.7 Documentation and Information. The Stockholder consent to and authorizes the publication and disclosure by the Company of the Stockholders identities and holding of the Covered Shares, and the terms of this Agreement (including, for the avoidance of doubt, the disclosure of this Agreement), in any press release, the Proxy Statement and any other disclosure document required in connection with the Merger Agreement, the Merger and the transactions contemplated by the Merger Agreement. The Company will provide legal counsel to the Stockholder with a reasonable opportunity to review and comment on drafts of such disclosure documents with respect to references to the Stockholder contained therein prior to the filing or public disclosure of such disclosure documents.

10.8 Specific Performance. Each of Parent and the Stockholder agrees that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with their specific terms on a timely basis or were

otherwise breached. It is accordingly agreed that Parent and the Stockholder shall be entitled to injunctive or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court identified in Section 11.6(a) above, this being in addition to any other remedy to which they are entitled at law or in equity.

10.9 Entire Agreement. This Agreement contains the entire understanding of the parties in respect of the subject matter hereof, and supersedes all prior negotiations and understandings, both written and oral,

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between the parties with respect to such subject matter. For the avoidance of doubt, nothing in this Agreement shall be deemed to amend, alter or modify, in any respect, any of the provisions of the Merger Agreement.

10.10 Reliance. The Stockholder understands and acknowledges that Parent and Merger Sub are entering into the Merger Agreement in reliance upon the Stockholder s execution and delivery of this Agreement.

10.11 Interpretation. This Agreement and any documents or instruments delivered pursuant hereto or in connection herewith shall be construed without regard to the identity of the person who drafted the various provisions of the same. Each and every provision of this Agreement and such other documents and instruments shall be construed as though all of the parties participated equally in the drafting of the same. Consequently, the parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting party shall not be applicable either to this Agreement or such other documents and instruments. The words hereof, herein and hereunder and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section references are to this Agreement unless otherwise specified. Whenever the words include, includes or including are used in this Agreement, they shall be deemed to be followed by the words without limitation. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. In this Agreement, all references to dollars or $ are to United States dollars. References to a party or to the parties to this Agreement refers to the Parent and the Stockholder, individually or collectively, as the case may be.

10.12 Assignment. Neither this Agreement nor any of the rights, interests or obligations of any party hereunder shall be assigned by any of the parties hereto (whether by operation of Law or otherwise) without the prior written consent of the other party.

10.13 Severability. Any term or provision of this Agreement which is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid, illegal or unenforceable the remaining terms and provisions of this Agreement or affecting the validity, legality or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction, and if any provision of this Agreement is determined to be so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable, in all cases so long as neither the economic nor legal substance of the transactions contemplated hereby is affected in any manner materially adverse to any party or its stockholders. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

10.14 Counterparts. This Agreement may be executed by facsimile and in counterparts, all of which shall be considered an original and one and the same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

10.15 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware (without giving effect to choice of law principles thereof).

10.16 Termination. This Agreement shall automatically terminate without further action by any of the parties hereto and shall have no further force or effect as of the Expiration Time.

[*Signature page follows*]

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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered on the date and year first above written.

ALIPAY (UK) LIMITED

By:
Name:
Title:

[Signature Page to Voting and Support Agreement]

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MONEYGRAM INTERNATIONAL, INC.

By:
Name:
Title:

[Signature Page to Voting and Support Agreement]

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SCHEDULE A

Name	Address for Notice	Covered Shares

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ANNEX D

Global Banking & Markets

Merrill Lynch, Pierce, Fenner & Smith Incorporated

January 26, 2017

The Board of Directors

MoneyGram International, Inc.

2828 N. Harwood St.

15th Floor

Dallas, TX 75201

Members of the Board of Directors:

We understand that MoneyGram International, Inc. (MoneyGram) proposes to enter into an Agreement and Plan of Merger, dated as of January 26, 2017 (the Agreement), by and between MoneyGram, Alipay (UK) Limited, a United Kingdom limited company (Parent), Alipay (Hong Kong) Holding Limited, a Hong Kong limited company (Guarantor), and Matrix Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of Parent (Merger Sub), pursuant to which, among other things, at the Effective Time (as defined in the Agreement), Merger Sub will merge with and into MoneyGram (the Merger), with MoneyGram continuing as the surviving corporation in the Merger, and each share of the common stock, par value $0.01 per share, of MoneyGram (MoneyGram Common Stock) outstanding immediately prior to the Effective Time will be converted into the right to receive $13.25 in cash, without interest (the Consideration). The terms and conditions of the Merger are more fully set forth in the Agreement.

You have requested our opinion as to the fairness, from a financial point of view, to the holders of MoneyGram Common Stock of the Consideration to be received by such holders in the Merger.

In connection with this opinion, we have, among other things:

(1) reviewed certain publicly available business and financial information relating to MoneyGram;

(2) reviewed certain internal financial and operating information with respect to the business, operations and prospects of MoneyGram furnished to or discussed with us by the management of MoneyGram, including certain financial forecasts relating to MoneyGram prepared by the management of MoneyGram (such forecasts, MoneyGram Forecasts);

(3)

discussed the past and current business, operations, financial condition and prospects of MoneyGram with members of senior management of MoneyGram;

(4) reviewed the trading history for MoneyGram Common Stock and a comparison of that trading history with the trading histories of other companies we deemed relevant;

(5) compared certain financial and stock market information of MoneyGram with similar information of other companies we deemed relevant;

(6) compared certain financial terms of the Merger to financial terms, to the extent publicly available, of other transactions we deemed relevant;

(7) reviewed a draft, dated January 26, 2017, of the Agreement (the Draft Agreement); and

(8) performed such other analyses and studies and considered such other information and factors as we deemed appropriate.

One Bryant Park

26th Floor

New York, NY 10036

Merrill Lynch, Pierce, Fenner & Smith Incorporated, member FINRA/SIPC, is a subsidiary of Bank of America Corporation

The Board of Directors

MoneyGram International, Inc.

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In arriving at our opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and have relied upon the assurances of the management of MoneyGram that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the MoneyGram Forecasts, we have been advised by MoneyGram, and have assumed, that they have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of MoneyGram as to the future financial performance of MoneyGram. We have not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of MoneyGram, nor have we made any physical inspection of the properties or assets of MoneyGram. We have not evaluated the solvency or fair value of MoneyGram or Parent under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. We have assumed, at the direction of MoneyGram, that the Merger will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Merger, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed that would have an adverse effect on MoneyGram or the contemplated benefits of the Merger. We also have assumed, at the direction of MoneyGram, that the final executed Agreement will not differ in any material respect from the Draft Agreement reviewed by us.

We express no view or opinion as to any terms or other aspects or implications of the Merger (other than the Consideration to the extent expressly specified herein), including, without limitation, the form or structure of the Merger, any related transactions or any voting or other agreement, arrangement or understanding entered into in connection with or related to the Merger or otherwise. At your direction, we engaged in only a limited solicitation of proposals from selected third parties regarding a possible acquisition of MoneyGram. Our opinion is limited to the fairness, from a financial point of view, of the Consideration to be received by holders of MoneyGram Common Stock and no opinion or view is expressed with respect to any consideration received in connection with the Merger by the holders of any class of securities, creditors or other constituencies of any party. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Merger, or class of such persons, relative to the Consideration or otherwise. Furthermore, no opinion or view is expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to MoneyGram or in which MoneyGram might engage or as to the underlying business decision of MoneyGram to proceed with or effect the Merger. We also are not expressing any view or opinion with respect to, and we have relied, at the direction of MoneyGram, upon, the assessments of representatives of MoneyGram regarding legal, regulatory, accounting, tax and similar matters relating to MoneyGram or the Merger, as to which matters we understand that MoneyGram obtained such advice as it deemed necessary from qualified professionals. In addition, we express no opinion or recommendation as to how any stockholder should vote or act in connection with the Merger or any other matter.

We have acted as financial advisor to the Board of Directors of MoneyGram in connection with the Merger and will receive a fee for our services, the principal portion of which is contingent upon consummation of the Merger. In addition, MoneyGram has agreed to reimburse our expenses and indemnify us against certain liabilities arising out of

our engagement.

We and our affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of our businesses, we and our affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions,

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finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of MoneyGram, Parent and certain of their respective affiliates.

We and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to MoneyGram and have received or in the future may receive compensation for the rendering of these services, including (i) having acted or acting as administrative agent, bookrunner, co-lead arranger for, and as a lender (including a swing line lender and a letter of credit lender) under, certain credit facilities and/or agreements of MoneyGram, and (ii) having provided or providing certain foreign exchange, treasury and trade management services and products to MoneyGram.

In addition, we and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Thomas H Lee Partners LP, an affiliate of MoneyGram (TH Lee) and certain of its affiliates and portfolio companies, and have received or in the future may receive compensation for the rendering of these services, including (i) having acted or acting as financial advisor to TH Lee and/or certain of its affiliates and portfolio companies in connection with certain mergers and acquisition transactions, (ii) having acted or acting as administrative agent, collateral agent, arranger, bookrunner and/or lender for TH Lee and certain of its affiliates and portfolio companies in connection with the financing for various acquisition transactions, (iii) having acted or acting as underwriter, initial purchaser and placement agent for various equity and debt offerings undertaken by TH Lee and/or certain of its affiliates and portfolio companies, and (iv) having provided or providing certain treasury and trade services and products to TH Lee and/or certain of its affiliates and portfolio companies.

In addition, we and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Alibaba Group Holding Ltd., an affiliate of Parent, and have received or in the future may receive compensation for the rendering of these services, including having acted or acting as a lender to Alibaba Group Holding Ltd. and certain of its affiliates under various credit, leasing and/or other facilities.

It is understood that this letter is for the benefit and use of the Board of Directors of MoneyGram (in its capacity as such) in connection with and for purposes of its evaluation of the Merger.

Our opinion is necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion. The issuance of this opinion was approved by a fairness opinion review committee of Merrill Lynch, Pierce, Fenner & Smith Incorporated.

Based upon and subject to the foregoing, including the various assumptions and limitations set forth herein, we are of the opinion on the date hereof that the Consideration to be received in the Merger by holders of MoneyGram Common

Stock is fair, from a financial point of view, to such holders.

Very truly yours,

/s/ Merrill Lynch, Pierce, Fenner & Smith Incorporated

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

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ANNEX E

SECTION 262 OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE

§ 262. Appraisal Rights

(a) Any stockholder of a corporation of this State who holds shares of stock on the date of the making of a demand pursuant to subsection (d) of this section with respect to such shares, who continuously holds such shares through the effective date of the merger or consolidation, who has otherwise complied with subsection (d) of this section and who has neither voted in favor of the merger or consolidation nor consented thereto in writing pursuant to § 228 of this title shall be entitled to an appraisal by the Court of Chancery of the fair value of the stockholder s shares of stock under the circumstances described in subsections (b) and (c) of this section. As used in this section, the word stockholder means a holder of record of stock in a corporation; the words stock and share mean and include what is ordinarily meant by those words; and the words depository receipt mean a receipt or other instrument issued by a depository representing an interest in 1 or more shares, or fractions thereof, solely of stock of a corporation, which stock is deposited with the depository.

(b) Appraisal rights shall be available for the shares of any class or series of stock of a constituent corporation in a merger or consolidation to be effected pursuant to § 251 (other than a merger effected pursuant to § 251(g) of this title and, subject to paragraph (b)(3) of this section, § 251(h) of this title), § 252, § 254, § 255, § 256, § 257, § 258, § 263 or § 264 of this title:

(1) Provided, however, that, except as expressly provided in § 363(b) of this title, no appraisal rights under this section shall be available for the shares of any class or series of stock, which stock, or depository receipts in respect thereof, at the record date fixed to determine the stockholders entitled to receive notice of the meeting of stockholders to act upon the agreement of merger or consolidation, were either: (i) listed on a national securities exchange or (ii) held of record by more than 2,000 holders; and further provided that no appraisal rights shall be available for any shares of stock of the constituent corporation surviving a merger if the merger did not require for its approval the vote of the stockholders of the surviving corporation as provided in § 251(f) of this title.

(2) Notwithstanding paragraph (b)(1) of this section, appraisal rights under this section shall be available for the shares of any class or series of stock of a constituent corporation if the holders thereof are required by the terms of an agreement of merger or consolidation pursuant to §§ 251, 252, 254, 255, 256, 257, 258, 263 and 264 of this title to accept for such stock anything except:

a. Shares of stock of the corporation surviving or resulting from such merger or consolidation, or depository receipts in respect thereof;

b. Shares of stock of any other corporation, or depository receipts in respect thereof, which shares of stock (or depository receipts in respect thereof) or depository receipts at the effective date of the merger or consolidation will be either listed on a national securities exchange or held of record by more than 2,000 holders;

c. Cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a. and b. of this section; or

d. Any combination of the shares of stock, depository receipts and cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a., b. and c. of this section.

(3) In the event all of the stock of a subsidiary Delaware corporation party to a merger effected under § 251(h), § 253 or § 267 of this title is not owned by the parent immediately prior to the merger, appraisal rights shall be available for the shares of the subsidiary Delaware corporation.

(4) In the event of an amendment to a corporation s certificate of incorporation contemplated by § 363(a) of this title, appraisal rights shall be available as contemplated by § 363(b) of this title, and the procedures of this section, including those set forth in subsections (d) and (e) of this section, shall apply as nearly as practicable, with the word amendment substituted for the words merger or consolidation, and the word corporation substituted for the words constituent corporation and/or surviving or resulting corporation.

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(c) Any corporation may provide in its certificate of incorporation that appraisal rights under this section shall be available for the shares of any class or series of its stock as a result of an amendment to its certificate of incorporation, any merger or consolidation in which the corporation is a constituent corporation or the sale of all or substantially all of the assets of the corporation. If the certificate of incorporation contains such a provision, the provisions of this section, including those set forth in subsections (d), (e), and (g) of this section, shall apply as nearly as is practicable.

(d) Appraisal rights shall be perfected as follows:

(1) If a proposed merger or consolidation for which appraisal rights are provided under this section is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, shall notify each of its stockholders who was such on the record date for notice of such meeting (or such members who received notice in accordance with § 255(c) of this title) with respect to shares for which appraisal rights are available pursuant to subsection (b) or (c) of this section that appraisal rights are available for any or all of the shares of the constituent corporations, and shall include in such notice a copy of this section and, if 1 of the constituent corporations is a nonstock corporation, a copy of § 114 of this title. Each stockholder electing to demand the appraisal of such stockholder s shares shall deliver to the corporation, before the taking of the vote on the merger or consolidation, a written demand for appraisal of such stockholder s shares. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such stockholder s shares. A proxy or vote against the merger or consolidation shall not constitute such a demand. A stockholder electing to take such action must do so by a separate written demand as herein provided. Within 10 days after the effective date of such merger or consolidation, the surviving or resulting corporation shall notify each stockholder of each constituent corporation who has complied with this subsection and has not voted in favor of or consented to the merger or consolidation of the date that the merger or consolidation has become effective; or

(2) If the merger or consolidation was approved pursuant to § 228, § 251(h), § 253, or § 267 of this title, then either a constituent corporation before the effective date of the merger or consolidation or the surviving or resulting corporation within 10 days thereafter shall notify each of the holders of any class or series of stock of such constituent corporation who are entitled to appraisal rights of the approval of the merger or consolidation and that appraisal rights are available for any or all shares of such class or series of stock of such constituent corporation, and shall include in such notice a copy of this section and, if 1 of the constituent corporations is a nonstock corporation, a copy of § 114 of this title. Such notice may, and, if given on or after the effective date of the merger or consolidation, shall, also notify such stockholders of the effective date of the merger or consolidation. Any stockholder entitled to appraisal rights may, within 20 days after the date of mailing of such notice or, in the case of a merger approved pursuant to § 251(h) of this title, within the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days after the date of mailing of such notice, demand in writing from the surviving or resulting corporation the appraisal of such holder s shares. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such holder s shares. If such notice did not notify stockholders of the effective date of the merger or consolidation, either (i) each such constituent corporation shall send a second notice before the effective date of the merger or consolidation notifying each of the holders of any class or series of stock of such constituent corporation that are entitled to appraisal rights of the effective date of the merger or consolidation or (ii) the surviving or resulting corporation shall send such a second notice to all such holders on or within 10 days after such effective date; provided, however, that if such second notice is sent more than 20 days following the sending of the first notice or, in the case of a merger approved pursuant to § 251(h) of this title, later than the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days following the sending of the first notice, such second notice need only be sent to each stockholder who is entitled to appraisal rights and who has demanded appraisal of such holder s shares in accordance with this subsection. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation that is required to give either notice that such notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of

determining the stockholders entitled to receive either notice, each constituent corporation may fix, in advance, a record date that shall be

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not more than 10 days prior to the date the notice is given, provided, that if the notice is given on or after the effective date of the merger or consolidation, the record date shall be such effective date. If no record date is fixed and the notice is given prior to the effective date, the record date shall be the close of business on the day next preceding the day on which the notice is given.

(e) Within 120 days after the effective date of the merger or consolidation, the surviving or resulting corporation or any stockholder who has complied with subsections (a) and (d) of this section hereof and who is otherwise entitled to appraisal rights, may commence an appraisal proceeding by filing a petition in the Court of Chancery demanding a determination of the value of the stock of all such stockholders. Notwithstanding the foregoing, at any time within 60 days after the effective date of the merger or consolidation, any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw such stockholder s demand for appraisal and to accept the terms offered upon the merger or consolidation. Within 120 days after the effective date of the merger or consolidation, any stockholder who has complied with the requirements of subsections (a) and (d) of this section hereof, upon written request, shall be entitled to receive from the corporation surviving the merger or resulting from the consolidation a statement setting forth the aggregate number of shares not voted in favor of the merger or consolidation and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. Such written statement shall be mailed to the stockholder within 10 days after such stockholder s written request for such a statement is received by the surviving or resulting corporation or within 10 days after expiration of the period for delivery of demands for appraisal under subsection (d) of this section hereof, whichever is later. Notwithstanding subsection (a) of this section, a person who is the beneficial owner of shares of such stock held either in a voting trust or by a nominee on behalf of such person may, in such person s own name, file a petition or request from the corporation the statement described in this subsection.

(f) Upon the filing of any such petition by a stockholder, service of a copy thereof shall be made upon the surviving or resulting corporation, which shall within 20 days after such service file in the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached by the surviving or resulting corporation. If the petition shall be filed by the surviving or resulting corporation, the petition shall be accompanied by such a duly verified list. The Register in Chancery, if so ordered by the Court, shall give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the surviving or resulting corporation and to the stockholders shown on the list at the addresses therein stated. Such notice shall also be given by 1 or more publications at least 1 week before the day of the hearing, in a newspaper of general circulation published in the City of Wilmington, Delaware or such publication as the Court deems advisable. The forms of the notices by mail and by publication shall be approved by the Court, and the costs thereof shall be borne by the surviving or resulting corporation.

(g) At the hearing on such petition, the Court shall determine the stockholders who have complied with this section and who have become entitled to appraisal rights. The Court may require the stockholders who have demanded an appraisal for their shares and who hold stock represented by certificates to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with such direction, the Court may dismiss the proceedings as to such stockholder. If immediately before the merger or consolidation the shares of the class or series of stock of the constituent corporation as to which appraisal rights are available were listed on a national securities exchange, the Court shall dismiss the proceedings as to all holders of such shares who are otherwise entitled to appraisal rights unless (1) the total number of shares entitled to appraisal exceeds 1% of the outstanding shares of the class or series eligible for appraisal, (2) the value of the consideration provided in the merger or consolidation for such total number of shares exceeds $1 million, or (3) the merger was approved pursuant to § 253 or § 267 of this title.

(h) After the Court determines the stockholders entitled to an appraisal, the appraisal proceeding shall be conducted in accordance with the rules of the Court of Chancery, including any rules specifically governing appraisal proceedings. Through such proceeding the Court shall determine the fair value of the shares exclusive of any element of value arising from the accomplishment or expectation of the merger or consolidation, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value,

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the Court shall take into account all relevant factors. Unless the Court in its discretion determines otherwise for good cause shown, and except as provided in this subsection, interest from the effective date of the merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the effective date of the merger and the date of payment of the judgment. At any time before the entry of judgment in the proceedings, the surviving corporation may pay to each stockholder entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (1) the difference, if any, between the amount so paid and the fair value of the shares as determined by the Court, and (2) interest theretofore accrued, unless paid at that time. Upon application by the surviving or resulting corporation or by any stockholder entitled to participate in the appraisal proceeding, the Court may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the stockholders entitled to an appraisal. Any stockholder whose name appears on the list filed by the surviving or resulting corporation pursuant to subsection (f) of this section and who has submitted such stockholder s certificates of stock to the Register in Chancery, if such is required, may participate fully in all proceedings until it is finally determined that such stockholder is not entitled to appraisal rights under this section.

(i) The Court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving or resulting corporation to the stockholders entitled thereto. Payment shall be so made to each such stockholder, in the case of holders of uncertificated stock forthwith, and the case of holders of shares represented by certificates upon the surrender to the corporation of the certificates representing such stock. The Court s decree may be enforced as other decrees in the Court of Chancery may be enforced, whether such surviving or resulting corporation be a corporation of this State or of any state.

(j) The costs of the proceeding may be determined by the Court and taxed upon the parties as the Court deems equitable in the circumstances. Upon application of a stockholder, the Court may order all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorney s fees and the fees and expenses of experts, to be charged pro rata against the value of all the shares entitled to an appraisal.

(k) From and after the effective date of the merger or consolidation, no stockholder who has demanded appraisal rights as provided in subsection (d) of this section shall be entitled to vote such stock for any purpose or to receive payment of dividends or other distributions on the stock (except dividends or other distributions payable to stockholders of record at a date which is prior to the effective date of the merger or consolidation); provided, however, that if no petition for an appraisal shall be filed within the time provided in subsection (e) of this section, or if such stockholder shall deliver to the surviving or resulting corporation a written withdrawal of such stockholder s demand for an appraisal and an acceptance of the merger or consolidation, either within 60 days after the effective date of the merger or consolidation as provided in subsection (e) of this section or thereafter with the written approval of the corporation, then the right of such stockholder to an appraisal shall cease. Notwithstanding the foregoing, no appraisal proceeding in the Court of Chancery shall be dismissed as to any stockholder without the approval of the Court, and such approval may be conditioned upon such terms as the Court deems just; provided, however that this provision shall not affect the right of any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such stockholder s demand for appraisal and to accept the terms offered upon the merger or consolidation within 60 days after the effective date of the merger or consolidation, as set forth in subsection (e) of this section.

(l) The shares of the surviving or resulting corporation to which the shares of such objecting stockholders would have been converted had they assented to the merger or consolidation shall have the status of authorized and unissued shares of the surviving or resulting corporation.

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VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

VOTE BY PHONE - 1-800-690-6903

MONEYGRAM INTERNATIONAL, INC.

2828 NORTH HARWOOD STREET

15TH FLOOR

DALLAS, TX 75201

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

VOTE IN PERSON

You may vote the shares in person by attending the Special Meeting.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

E24911-P84563 KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

MONEYGRAM INTERNATIONAL, INC.

Our board of directors recommends you vote FOR proposals 1 and 2.

	For	Against	Abstain
1. Proposal to approve and adopt the Agreement and Plan of Merger, dated as of January 26, 2017, as such agreement may be amended from time to time (the merger agreement), by and among Alipay (UK) Limited, a United Kingdom limited company, Matrix Acquisition Corp., a Delaware corporation and wholly owned subsidiary of Alipay, Alipay (Hong Kong) Holding Limited, a Hong Kong limited company, who is a party solely for the purposes of Section 8.16 of the merger agreement, and MoneyGram.			
2. Non-binding, advisory proposal to approve compensation that will or may become payable to our named executive officers in connection with the merger contemplated by the merger agreement.			

NOTE: In their discretion, the proxies are authorized to vote upon such other matter or matters which may properly come before the meeting or any postponements or adjournments thereof.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSAL TO APPROVE AND ADOPT THE MERGER AGREEMENT AND FOR THE PROPOSAL TO APPROVE COMPENSATION THAT WILL OR MAY BECOME PAYABLE TO OUR NAMED EXECUTIVE OFFICERS IN CONNECTION WITH THE MERGER CONTEMPLATED BY THE MERGER AGREEMENT.

For address changes/comments, mark here.
(see reverse for instructions)

Please indicate if you plan to attend this meeting.

Yes **No**

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX] Date Signature (Joint Owners) Date

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Important Notice Regarding the Availability of Proxy Materials for the Special Meeting:

The Notice and Proxy Statement is available at www.proxyvote.com.

E24912-P84563

MONEYGRAM INTERNATIONAL, INC.

Special Meeting of Stockholders

May 16, 2017 8:00 AM Central Time

This proxy is solicited by our board of directors

The undersigned, a stockholder of MoneyGram International, Inc., a Delaware corporation (MoneyGram), acknowledges receipt of a copy of the Notice of Special Meeting of Stockholders and the accompanying proxy statement, and revoking any proxy previously given, hereby constitutes and appoints Pamela H. Patsley and F. Aaron Henry, and each of them, with or without the other, his or her true and lawful agents and proxies with full power of substitution in each to vote the shares of Common Stock of MoneyGram standing in the name of the undersigned for purposes identified on this proxy and with discretionary authority as to any other matters that may properly be raised at the Special Meeting of Stockholders of MoneyGram to be held at Vinson & Elkins, L.L.P., 2001 Ross Avenue, 39th Floor, Dallas, Texas 75201.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREBY BY THE UNDERSIGNED STOCKHOLDER. IF YOU SIGN YOUR PROXY CARD WITHOUT INDICATING YOUR VOTE, THIS PROXY WILL BE VOTED FOR PROPOSALS 1 AND 2 AND IN ACCORDANCE WITH THE RECOMMENDATIONS OF OUR BOARD OF DIRECTORS ON ANY OTHER MATTERS PROPERLY BROUGHT BEFORE THE SPECIAL MEETING, OR AT ANY ADJOURNMENT OR POSTPONEMENT THEREOF. YOU MAY REVOKE THIS PROXY AT ANY TIME PRIOR TO THE VOTE AT THE SPECIAL MEETING.

Address Changes/Comments:

(If you noted any Address Changes/Comments above, please mark corresponding box on the reverse side.)

Continued and to be signed on reverse side