



# News Release

## **Element Fleet Management Names Jay Forbes as Chief Executive Officer and Announces Intention to Refresh the Board with Four New Independent Directors**

**TORONTO, Ontario, May 14, 2018** – Element Fleet Management Corp. (TSX: EFN) (“Element” or the “Company”), a leading global provider of fleet management and fleet-focused business services, today announced the appointment of Jay Forbes as its new Chief Executive Officer and a significant refresh of the Company’s Board of Directors (the “Board”) that includes the planned addition of four new independent directors. The Company also announced that it will hold its annual general meeting of shareholders on June 26, 2018 (the “2018 Annual Meeting”).

### **CEO Appointment – Jay Forbes**

Element is pleased to announce the appointment of Jay Forbes as Chief Executive Officer of the Company, effective June 1, 2018. Today’s announcement follows a comprehensive CEO search process undertaken by the Board and its external advisors, in which both internal and external candidates were considered. Until June 1, Dan Jauernig will remain Acting Chief Executive Officer of the Company and will then resume his responsibilities as President and Chief Operating Officer of Element. Along with the rest of the executive leadership team at Element, Mr. Jauernig will ensure continuity and smooth onboarding for Mr. Forbes.

“Jay Forbes has a demonstrated track record of success for helping organizations understand and realize their full potential. His skills and experience will be invaluable to us as we look to realize the promise inherent in the global fleet management platform that Element has created over the past seven years,” said The Hon. Brian Tobin, P.C., O.C., Chairman of the Board. “Combined with the addition of four new, highly qualified independent directors to bolster the expertise of our Board, this represents a tremendous step forward in Element’s evolution.”

Mr. Forbes is a proven business leader who has brought a fresh strategic perspective to a variety of industry settings to create immediate and lasting value for investors, customers and employees. With a deep passion for serving customers, Mr. Forbes brings operational expertise, strong financial acumen, and a firm grasp of technology.

Mr. Forbes commented, “Element is a truly remarkable company, having gone from concept to global leadership in the fleet leasing and service industry in seven short years. I am truly looking forward to working with my new colleagues to strengthen our current customer offerings such that we continue to grow with them in the years to come. Accordingly, we will use the next few months to better understand how we can further strengthen our business model and refine our strategies to the benefit of our customers and investors.”

Most recently, from 2015 to 2017, Mr. Forbes was President and CEO of Manitoba Telecom Services, where he designed and executed a customer-centric strategy that created \$1.1 billion in shareholder value. Similarly, Mr. Forbes made a significant impact during his tenure as President and CEO of Teranet Inc., a world-leading developer, operator and owner of electronic land registration systems, where he developed an information services growth strategy to yield billions in high-margin revenues.

Mr. Forbes’ other leadership roles included President at Ingram Micro Inc., where he successfully restructured the business to improve profitability at the onset of an economic recession, and President and CEO / CFO at Aliant Inc., where he repositioned the business to become the second largest regional telecom services provider in North America, delivering \$2 billion in shareholder value. In the past, Mr. Forbes has also served as CFO at real estate and energy companies. Mr. Forbes holds a Bachelor of Commerce degree from Dalhousie University, is a Chartered Professional Accountant, a Fellow of the Chartered Professional Accountants of Nova Scotia (FCPA, FCA), and has

completed the Institute of Corporate Directors program. He is a director at Economical Insurance and previously was a director at MTS, Stratos Global Corporation and Aliant Inc., in addition to a number of not-for-profit organizations.

### **Addition of Four New Independent Directors**

Element also announced today that as a result of agreements with some of the Company's significant shareholders, and Element's own normal course board process to refresh the Board, the Company will undertake a reconstitution of its Board that will result in eight of nine nominees at the 2018 Annual Meeting being independent of the Company.

Rubin McDougal and Keith Graham, two independent directors, have been appointed to the Board, effective immediately. Mr. McDougal brings extensive public company, finance, credit, logistics and financial reporting experience to the Board. Mr. Graham has extensive business and investment and asset management expertise.

The Company also announced that it will nominate for election at the 2018 Annual Meeting two additional independent directors, Andrew Clarke and Alexander Greene. Mr. Clarke and Mr. Greene each have strong backgrounds in transportation services, logistics and finance, as well as a broad range of public company executive and board-level experience.

Mr. Forbes will also join the Board immediately.

As a result, the Company intends to nominate a slate of the following nine individuals for election to the Board at the 2018 Annual Meeting:

- Current independent directors Brian Tobin (Chairman), Paul Damp, Joan Lamm-Tennant and Bill Lovatt;
- Independent directors Rubin McDougal and Keith Graham; and CEO Jay Forbes, all of whom were appointed to the Board on May 14, 2018; and
- Independent nominees Andrew Clarke and Alexander Greene.

"Rubin, Keith, Andrew and Alex bring considerable expertise in transportation, technology and finance. The Board is excited to welcome these highly-qualified individuals to the Element team and eager to benefit from their deep expertise and experience for the benefit of the Company and its shareholders. We are pleased to have agreed to the addition of Rubin, Keith and Andrew with some of our largest shareholders, and we believe that the reconstituted Board will help drive significant value for all shareholders," said The Hon. Brian Tobin.

In addition, Steven Hudson and Richard Venn have advised the Company that they will not be standing for re-election to the Board at the 2018 Annual Meeting.

"The Board thanks Steve and Richard for their many years of valuable service and the significant role they each played in firmly establishing Element as a leader in global fleet management. In particular, I want to acknowledge Steve Hudson's contribution as founder and builder of the Element Fleet platform, both as CEO and for the last year and a half as Vice-Chairman of the Board," stated The Hon. Brian Tobin.

Mr. Greene was identified as a director candidate as part of the Board's normal course board refreshment process. The appointments of Mr. McDougal and Mr. Graham were made pursuant to separate agreements (the "**Nomination Agreements**") entered into by the Company with each of EdgePoint Wealth Management Inc., Lion Point Capital, LP and Ancora Advisors, LLC (which respectively own approximately 4.3%, 4.6% and 2.5% of Element's issued and outstanding common shares) as a result of discussions with such shareholders regarding the composition of the Board. Under the terms of the Nomination Agreements, the Company has agreed to nominate Mr. McDougal, Mr. Graham and Mr. Clarke for election to the Board at the 2018 Annual Meeting. The Nomination Agreements contain customary standstill restrictions that terminate following the Company's 2019 annual general meeting of shareholders. The Nomination Agreements will be available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

"We are pleased to have worked constructively with Brian Tobin and the Element Board to reach an agreement to reconstitute and strengthen the Board with new independent directors. The appointment of these new directors will

bring additional insights and valuable expertise to Element as it focuses on executing its strategic plan for enhancing shareholder value,” said Fred DiSanto, Chief Executive Officer and Chairman of Ancora Advisors LLC.

#### *About Alexander Greene*

Alexander Greene has over 35 years of corporate finance and private equity experience. Mr. Greene served as a Managing Partner and Head of US Private Equity at Brookfield Asset Management Inc. from 2005 to 2014. Prior to joining Brookfield, Mr. Greene was a Managing Director and Co-Head of Carlyle Strategic Partners, a private equity fund of The Carlyle Group, and a Managing Director at Wasserstein Perella where he served as an investment banker to large and mid-cap businesses, focusing on leveraged finance and recapitalization transactions. Mr. Greene is presently Chairman of the Board of Modular Space Corporation, a leading North American supplier of temporary modular space and permanent modular construction; a director of USA Truck Inc., a publicly traded dry van truckload carrier; and a director of Ambac Financial Group, a publicly traded provider of financial guarantees, in addition to having served as a director of other private and publicly traded companies. Mr. Greene is President of the Armonk Independent Fire Company and holds a bachelor’s degree in Finance from The George Washington University.

#### *About Rubin McDougal*

Rubin McDougal provides advisory support to a broad range of privately held enterprises and has served in global finance leadership roles in Asia, Europe and the United States. From 2014 to 2017, Mr. McDougal was a director of Novitex Enterprise Solutions, a managed services provider in the document outsourcing industry, where he also acted as Chair of the Audit Committee. From 2009 to 2016, Mr. McDougal acted as the Chief Financial Officer of CEVA Logistics, a global supply chain services provider based in Amsterdam. Prior to this, Mr. McDougal acted as Chief Financial Officer of CNH Global NV, a manufacturer and financial services provider in the agricultural and construction equipment industries, from 2006 to 2009. Mr. McDougal has extensive public-company compliance and financial reporting experience, having successfully guided both well-capitalized and highly-leveraged financial organizations. Mr. McDougal holds a Master of Business Administration from Western Michigan University.

#### *About Keith Graham*

Keith Graham is the Founder and President of Rondeau Capital Inc., a private investment and advisory company. Mr. Graham has over 25 years of experience as a Portfolio Manager and Senior Executive with firms such as AGF Funds Inc., a diversified global asset management firm, Trimark Investments, a privately-owned investment management firm, and Ontario Teachers’ Pension Plan, one of the world’s largest single-profession pension plans and private equity investors. Mr. Graham holds the Chartered Financial Analyst designation and earned a Master of Business Administration from the Ivey School of Business at the University of Western Ontario.

#### *About Andrew Clarke*

Andrew Clarke has 20 years of experience in the transportation industry. Since 2015, Mr. Clarke has been the Chief Financial Officer of C.H. Robinson, Inc. of Minneapolis, Minnesota, a NASDAQ-listed corporation and one of the world’s largest third-party logistics providers. From 2007 until 2013, Mr. Clarke was the Chief Executive Officer of Panther Expedited Services, Inc. of Seville, Ohio, a premium logistics provider that focuses on the automotive, life sciences, governmental and manufacturing segments. From 2001 to 2006, Mr. Clarke served in various executive roles, including as Senior Vice President and Chief Financial Officer, at Forward Air Corporation, a NASDAQ-listed, diversified transportation services corporation. Mr. Clarke has been a director of several public companies, including Forward Air Corporation and Pacer International, Inc., a publicly-traded company engaged in third-party logistics services, where he served as Chairman of the Audit Committee and member of the Compensation and Nominating & Corporate Governance Committees. Mr. Clarke holds a Master of Business Administration from the University of Chicago Booth School of Business.

## **2018 Annual Meeting**

The 2018 Annual General Meeting of the Company will be held on June 26, 2018 at 9 a.m. (Toronto Time) at the offices of Blake, Cassels & Graydon, LLP, 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario, Canada. Matters to be considered at the 2018 Annual Meeting include the election of directors and an advisory “say-on-pay” vote for shareholders in respect of the Company’s approach to executive compensation.

Further details regarding all matters to be put forward to shareholders at the 2018 Annual Meeting will be set forth in the Company’s management information circular, which will be available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company’s website at [www.elementfleet.com](http://www.elementfleet.com).

## **First Quarter Results Conference Call**

Element will hold its first quarter 2018 results conference call on May 15, 2018 at 9:00 am ET as previously indicated. The Company looks forward to the opportunity to discuss its financial results at that time.

## **About Element Fleet Management Corp.**

Element Fleet Management Corp. (TSX:EFN) is a leading global fleet management company, providing world-class management services and financing for commercial vehicle and equipment fleets. Element’s suite of fleet management services spans the total fleet lifecycle, from acquisition and financing to program management and remarketing – helping customers optimize performance and improve productivity. For more information, visit [www.elementfleet.com](http://www.elementfleet.com).

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*This release includes forward-looking statements regarding Element. Such statements are based on the current expectations and views of future events of the Company’s business. In some cases, the forward-looking statements can be identified by words or phrases such as “may”, “will”, “expect”, “plan”, “anticipate”, “intend”, “potential”, “estimate”, “believe” or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The forward-looking events and circumstances discussed in this release, including, but not limited to, the appointment or nomination of new independent directors to the Board, including the timing of any such appointments or nominations, and the intention of certain directors to seek re-election at future meetings of the Company’s shareholders, may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Element and many other factors beyond the control of the Company. No forward-looking statement can be guaranteed. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and information. These and other risks and uncertainties, as well as other information related to the Company, are discussed in the Company’s various public filings available on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and the Company does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*