

Wright Express CORP  
Form DEF 14A  
April 20, 2012  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A INFORMATION**

(Rule 14a-101)

**INFORMATION REQUIRED IN PROXY STATEMENT**

**Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240. 14a-12

**WRIGHT EXPRESS CORPORATION**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
  - Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11
- (1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

Edgar Filing: Wright Express CORP - Form DEF 14A

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

**Table of Contents**

**April 20, 2012**

Dear Fellow Stockholders,

You are invited to attend our 2012 annual meeting of stockholders. The meeting will be held on Friday, May 18, 2012, at 8:00 a.m., Eastern Time, at the Wright Express Corporation Long Creek Campus located at 225 Gorham Road, South Portland, Maine.

At the meeting we will:

elect three directors for three-year terms,

conduct an advisory vote on executive compensation,

vote to ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the year ending December 31, 2012, and

consider any other business properly coming before the meeting.

Whether or not you attend the annual meeting, it is important that your shares be represented and voted at the meeting. As a stockholder of record, you can vote your shares by signing and dating the enclosed proxy card and returning it by mail in the enclosed envelope. If you decide to attend the annual meeting and vote in person, you may then revoke your proxy. If you hold your stock in street name, you should follow the instructions provided by your bank, broker or other nominee.

On behalf of the Board of Directors and the employees of Wright Express Corporation, we would like to express our appreciation for your continued interest in the Company.

Sincerely,

**Michael E. Dubyak**  
CHAIRMAN OF THE BOARD,  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

**Table of Contents**

**NOTICE OF 2012 ANNUAL MEETING OF STOCKHOLDERS**

April 20, 2012

The 2012 annual meeting of stockholders of Wright Express Corporation will be held on Friday, May 18, 2012, at 8:00 a.m., Eastern Time, at the Wright Express Corporation Long Creek Campus located at 225 Gorham Road, South Portland, Maine, 04106. At the meeting we will:

elect three directors for three-year terms,

conduct an advisory vote on executive compensation,

vote to ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the year ending December 31, 2012, and

consider any other business properly coming before the meeting.

**Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on May 18, 2012:**

**The proxy statement and annual report to stockholders are available at <http://ir.wrightexpress.com>.**

Stockholders who owned shares of our common stock at the close of business on March 20, 2012 are entitled to attend and vote at the meeting and any adjournment or postponement of the meeting. A complete list of registered stockholders will be available at least 10 days prior to the meeting at our offices located at 225 Gorham Road, South Portland, Maine, 04106.

By Order of the Board of Directors,

**Hilary A. Rapkin**  
SENIOR VICE PRESIDENT,  
GENERAL COUNSEL AND  
CORPORATE SECRETARY

**Table of Contents**

**TABLE OF CONTENTS**

<u>VOTING YOUR SHARES</u>	1
<u>PROPOSALS TO VOTE ON</u>	2
<u>THE BOARD OF DIRECTORS</u>	4
<u>PRINCIPAL STOCKHOLDERS</u>	13
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTANT</u>	17
<u>EXECUTIVE OFFICERS</u>	20
<u>EXECUTIVE COMPENSATION</u>	22
<u>SUMMARY COMPENSATION TABLE</u>	37
<u>GRANTS OF PLAN-BASED AWARDS</u>	39
<u>OPTION EXERCISES AND STOCK VESTED</u>	40
<u>OUTSTANDING EQUITY AWARDS</u>	40
<u>NONQUALIFIED DEFERRED COMPENSATION</u>	42
<u>EMPLOYMENT AGREEMENTS, SEVERANCE AND CHANGE OF CONTROL BENEFITS</u>	44
<u>POTENTIAL PAYMENTS UPON TERMINATION OF EMPLOYMENT</u>	46
<u>SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS</u>	47
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	47
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	47
<u>INFORMATION ABOUT VOTING PROCEDURES</u>	48

## **Table of Contents**

This proxy statement describes the proposals on which you may vote as a stockholder of Wright Express Corporation. It contains important information to consider when voting.

The Company's board of directors, or the Board, is sending these proxy materials to you in connection with the Board's solicitation of proxies. Our annual report to stockholders and our proxy materials were first mailed on or about April 20, 2012.

*Your vote is important. Please complete, execute and promptly mail your proxy card as soon as possible even if you plan to attend the annual meeting.*

### **VOTING YOUR SHARES**

Stockholders who owned the Company's common stock at the close of business on March 20, 2012, the record date, may attend and vote at the annual meeting. Each share is entitled to one vote. There were 38,848,559 shares of common stock outstanding on the record date.

#### **How do I vote?**

You may vote by mail if you hold your shares in your own name. You do this by completing and signing your proxy card and mailing it in the enclosed prepaid and addressed envelope.

You may vote in person at the meeting. We will pass out ballots to any record holder who wants to vote at the meeting. However, if you hold your shares in street name, you must request a proxy from your stockbroker in order to vote at the meeting. Holding shares in street name means you hold them through a brokerage firm, bank or other nominee, and as a result, the shares are not held in your individual name but through someone else.

If you hold your shares in street name, you should follow the instructions provided by your bank, broker or other nominee, including any instructions provided regarding your ability to vote by telephone or through the Internet.

#### **How do I vote my shares held in the Wright Express Corporation Employee Savings Plan?**

If you participate in our Wright Express Corporation Employee Savings Plan, commonly referred to as the 401(k) Plan, shares of our common stock equivalent to the value of the common stock interest credited to your account under the plan will be voted automatically by the trustee in accordance with your instruction, if it is received by May 15, 2012. Otherwise, the share equivalents credited to your account will be voted by the trustee in the same proportion that it votes share equivalents for which it receives timely instructions from all plan participants.

Please refer to the Information about Voting Procedures section.

**Table of Contents**

**PROPOSALS TO VOTE ON**

**ITEM 1. ELECTION OF DIRECTORS**

Our nominees for director this year are:

Regina O. Sommer

Jack VanWoerkom

George L. McTavish

Each nominee is presently a director of the Company and has consented to serve a new three-year term.

*We recommend a vote **FOR** these nominees.*

**ITEM 2. ADVISORY VOTE ON EXECUTIVE COMPENSATION**

We are providing you with the opportunity to vote to approve, on an advisory, non-binding basis, the compensation of the executive officers named in the Summary Compensation Table under Executive Compensation, whom we refer to as our named executive officers or NEOs, as disclosed in this proxy statement in accordance with the SEC's rules. This proposal, which is commonly referred to as say-on-pay, is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which added Section 14A to the Securities Exchange Act of 1934, or Exchange Act.

Our executive compensation programs are designed to attract, motivate, and retain our executive officers, who are critical to our success. The Executive Compensation section of this proxy statement including Compensation Discussion and Analysis, describes in detail our executive compensation programs and the decisions made by the Compensation Committee with respect to the fiscal year ended December 31, 2011.

Wright Express philosophy regarding executive compensation is straightforward: reward our executives for their contributions to the Company's annual and long-term performance by tying a significant portion of their total compensation to key drivers of increased stockholder value. Reflecting our pay-for-performance philosophy, a significant portion of executive compensation is performance-based, subject to increase when results exceed corporate targets, reduction when results fall below target and elimination if results do not achieve threshold levels of performance.

2011 was a very strong year for Wright Express as total revenue grew 42%. This performance was driven by continued execution against our multi-pronged growth strategy to expand our North American fleet business, diversify our revenue streams and build out our international presence. The compensation paid to our NEOs reflects their contributions to Wright Express success in 2011. The combined achievement under the short-term incentive program, or STIP, resulted in the US NEOs receiving a STIP payment of 122% of target and Mr. Gumbley, our Executive Vice President, International, receiving a payout of 98% of target. As a result of the STIP payments, our NEOs total cash compensation, on average, was between the 50th and 75th percentiles of the market data provided by our consultants. This compensation is consistent with our overall business performance for 2011, which was in the top quartile for revenue and profit margin compared to our peer group.

Our Board is asking stockholders to approve a non-binding advisory vote on the following resolution:

RESOLVED, that the compensation paid to Wright Express named executive officers, as disclosed in accordance with the Securities and Exchange Commission's compensation disclosure rules, including the Compensation Discussion and Analysis, the compensation tables and any related material disclosed in this proxy statement, is hereby approved.





**Table of Contents**

As an advisory vote, this proposal is not binding. The outcome of this advisory vote will not overrule any decision by the Company or the Board (or any committee of the Board), create or imply any change to the fiduciary duties of the Company or the Board (or any committee of the Board), or create or imply any additional fiduciary duties for the Company or the Board (or any committee of the Board). However, our Compensation Committee and Board value the opinions expressed by our stockholders in their vote on this proposal and will consider the outcome of the vote when making future compensation decisions for named executive officers.

The Board has decided that the Company will hold an annual advisory vote on the compensation of our named executive officers at this year's annual meeting of stockholders and annually thereafter.

*We recommend a vote **FOR** approval of the compensation of our named executive officers.*

**ITEM 3. RATIFICATION OF DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2012**

The Audit Committee of the Board has selected Deloitte & Touche LLP, or D&T, as the independent registered public accounting firm for the Company's fiscal year 2012. Stockholder ratification of the appointment is not required under the laws of the State of Delaware, but the Audit Committee has decided to request that the stockholders ratify the appointment. A representative of D&T will be present at the meeting to answer appropriate questions from stockholders and will have the opportunity to make a statement on behalf of the firm, if he or she so desires.

If this proposal is not approved by our stockholders at the 2012 annual meeting, the Audit Committee will reconsider its selection of D&T. Even if the selection is ratified, the Audit Committee may, in its discretion, select a different independent registered public accounting firm at any point during the year if it determines that making a change would be in the best interests of the Company and our stockholders.

*We recommend a vote **FOR** the ratification of Deloitte & Touche LLP as our independent registered public accounting firm.*

**OTHER BUSINESS**

We know of no other business to be considered at the meeting, and the deadline for stockholders to submit proposals or nominations has passed. However, if:

other matters are properly presented at the meeting, or at any adjournment or postponement of the meeting, and

you have properly submitted your proxy, then, Michael E. Dubyak or Melissa D. Smith will vote your shares on those matters according to his or her best judgment.

**Table of Contents**

**THE BOARD OF DIRECTORS**

**BOARD LEADERSHIP**

Our Board is led by our Chairman, Mr. Dubyak, who is also our President and Chief Executive Officer. The Chairman leads all meetings of the Board at which he is present, sets meeting schedules and agendas and manages information flow to the Board to ensure appropriate understanding and discussion regarding matters of interest or concern to the Board. The Chairman also has such additional powers and performs such additional duties consistent with organizing and leading the actions of the Board as may be prescribed by the Board.

In addition to our Chairman, the Board has appointed Dr. Moriarty as our Vice Chairman and Lead Director. Dr. Moriarty chairs meetings of the independent directors in executive session and chairs any meetings at which the Chairman is not present. In addition, he facilitates communications between other members of the Board and the Chairman. The Lead Director is authorized to call meetings of the independent directors and is available to consult with any of the Company's senior executives regarding any concerns an executive may have. Dr. Moriarty aids in the preparation of meeting agendas and is authorized to meet with stockholders as a representative of the independent directors.

Our Board believes that having one person serve as chairman and chief executive officer allows that individual to use his substantial knowledge gained from both roles to lead the Company most effectively, and to provide strong and consistent leadership, without risking overlap or conflict of roles. Our chief executive officer is also more familiar with our business and strategy than an independent, non-employee Chairman would be and is thus better positioned to focus the Board's agenda on the key issues facing the Company. Our Board further believes that with the appointment of Dr. Moriarty as our Vice Chairman and Lead Director, the Board has in place a leadership structure that provides an independent view of governance and business-related matters for both stockholders and other parties.

**THE BOARD'S ROLE IN RISK OVERSIGHT**

Our Board oversees our risk management processes directly, and through a risk management program overseen by the Company's Senior Vice President, General Counsel and Corporate Secretary, who reports directly to the Chief Executive Officer. Risks are identified and prioritized by our management, and each prioritized risk is then referred by the full Board to either the Board or a Board committee for oversight. In general, our Board oversees risk management activities relating to business strategy, acquisitions, capital allocation, organizational structure and certain operational risks; our Audit Committee oversees risk management activities related to financial controls and legal and compliance risks; our Compensation Committee oversees risk management activities relating to the Company's compensation policies and practices and management succession planning; and our Corporate Governance Committee oversees risk management activities relating to Board composition. In addition, the Board receives periodic assessments, as necessary, from each committee with regard to its respective oversight activities, and annually reviews the Company's risk management program as a whole.

**Table of Contents****MEMBERS OF THE BOARD OF DIRECTORS***Regina O. Sommer**Age 54**Class I**Director Since 2005**Term Expires 2012*

Since March 2005, Ms. Sommer has been a financial and business consultant. From January 2002 until March 2005, Ms. Sommer served as Vice President and Chief Financial Officer of Netegrity, Inc., a leading provider of security software solutions, which was acquired by Computer Associates International, Inc. in November 2004. From October 1999 to April 2001, Ms. Sommer was Vice President and Chief Financial Officer of Revenio, Inc., a privately-held customer relationship management software company. Ms. Sommer was Senior Vice President and Chief Financial Officer of Open Market, Inc., an Internet commerce and information publishing software firm, from 1997 to 1999 and Vice President and Chief Financial Officer from 1995 to 1997. From 1989 to 1994, Ms. Sommer was Vice President at The Olsten Corporation and Lifetime Corporation, providers of staffing and healthcare services. From 1980 to 1989, Ms. Sommer served in various positions from staff accountant to senior manager at PricewaterhouseCoopers. Ms. Sommer has served on the Board of SoundBite Communications, Inc. since 2006, where she is the chair of the Audit Committee and a member of the Compensation Committee. SoundBite is a leading provider of automated voice and text messaging solutions that are delivered through a software as a service model. Ms. Sommer also sat on the Board of ING Direct from January 2008 until February 2012, and served as a member of the Audit, Risk Oversight & Investment and the Governance & Conduct Review Committees. In addition, she has sat on the board of Insulet Corporation since 2008, a publicly held provider of an insulin infusion system for people with insulin-dependent diabetes. She also serves on Insulet's Audit Committee and is the chair of the Nominating Committee.

*The Board concluded that Ms. Sommer is well suited to serve as a director of the Company because of her past experience as the chief financial officer of two publicly-traded companies. In addition, she brings significant financial expertise across a broad range of industries relevant to the Company's business, including banking, software development and auditing.*

*Jack VanWoerkom**Age 58**Class I**Director Since 2005**Term Expires 2012*

Mr. VanWoerkom was employed by The Home Depot, Inc., a home improvement retailer, as Executive Vice President, General Counsel and Corporate Secretary from June 2007 until June 2011. Previously, Mr. VanWoerkom served as Executive Vice President, General Counsel and Secretary of Staples, Inc., an office supply retailer, from March 2003 to June 2007. Before that, Mr. VanWoerkom was Senior Vice President, General Counsel and Secretary of Staples from March 1999 to March 2003.

*The Board concluded that Mr. VanWoerkom is well suited to serve as a director of the Company because of his experience with international operations, corporate governance and corporate transactions.*

**Table of Contents**

*George L. McTavish*

*Age 70*

*Class I*

*Director Since 2007*

*Term Expires 2012*

Since October 2004, Mr. McTavish has served as the Chairman and CEO of Source Medical Corporation, an outpatient information solutions and services provider for ambulatory surgery centers and rehabilitation clinics. Before joining Source Medical, Mr. McTavish served as Chairman and CEO of BenView Capital, a private investment company from December 2001 to October 2004. Prior to BenView, Mr. McTavish was a full-time consultant for Welsh Carson Anderson & Stowe, an investment buy-out firm in New York City. From 1987 to 1997, Mr. McTavish was Chairman and CEO of Comdata, a provider of information services, financial services and software to the transportation industry. Following the acquisition of Comdata Corporation by Ceridian Corporation in 1995, he was also named as an EVP of Ceridian. He had joined Comdata after serving as chairman and CEO of Hogan Systems, a provider of enterprise software systems to the banking and financial services industries. Mr. McTavish is also a member of the boards of directors of several private businesses.

*The Board concluded that Mr. McTavish is well suited to serve as a director of the Company because of his experience as the Chairman and CEO of an information services company and experience as the CEO of several large organizations.*

*Shikhar Ghosh*

*Age 54*

*Class II*

*Director Since 2005*

*Term Expires 2013*

Since August 2008, Mr. Ghosh has been a Professor in the Entrepreneurial Management Unit of Harvard Business School. From June 2006 until December 2007, Mr. Ghosh was the CEO of Risk Syndication for the Kessler Group, where he enabled bank clients and their endorsing partners to market credit cards. Mr. Ghosh is also currently the Chairman of two venture-backed companies, Rave Wireless, Inc. and Skyhook Wireless. Rave Wireless builds mobile applications for universities, Skyhook is developing a national positioning system based on WiFi technology. From June 1999 to June 2004, Mr. Ghosh was Chairman and Chief Executive Officer of Verilytics Technologies, LLC, an analytical software company focused on the financial services industry. In 1993, Mr. Ghosh founded Open Market, Inc., an Internet commerce and information publishing software firm. From 1988 to 1993, Mr. Ghosh was the chief executive officer of Appex Corp., a technology company that was sold to Electronic Data Systems Corporation in 1990. From 1980 until 1988, Mr. Ghosh served in various positions with The Boston Consulting Group, and was elected as a worldwide partner and a director of the firm in 1988.

*The Board concluded that Mr. Ghosh is well suited to serve as a director of the Company because of his experience with various technology-related ventures and record of founding companies that have operated in emerging markets.*

**Table of Contents**

<i>Kirk P. Pond</i>	From June 1996 until May 2005, Mr. Pond was the President and Chief Executive Officer of Fairchild Semiconductor International, Inc., one of the largest independent, international semiconductor companies. He was the Chairman of the Board of Directors of that company from March 1997 until June 2006 and retired from its board in May 2007. Prior to Fairchild Semiconductor's separation from National Semiconductor, Mr. Pond had held several executive positions with National Semiconductor, including Executive Vice President and Chief Operating Officer and was in the office of the President. Mr. Pond had also held executive management positions with Texas Instruments and Timex Corporation. Mr. Pond is also a former director of the Federal Reserve Bank of Boston. Mr. Pond has been a director of Brooks Automation, Inc., a leading worldwide provider of automation solutions and integrated subsystems to the global semiconductor and related industries, since 2007, where he serves on the compensation committee. Mr. Pond has also been a director of Sensata Technologies Holding N.V., a sensor and electrical protection device manufacturer, since March 2011.
<i>Age 67</i>	
<i>Class II</i>	
<i>Director Since 2005</i>	
<i>Term Expires 2013</i>	<i>The Board concluded that Mr. Pond is well suited to serve as a director of the Company because of his experience directing a large, publicly traded company with international operations and experience with the technology industry.</i>
<i>Rowland T. Moriarty</i>	Dr. Moriarty served as the non-executive Chairman of the Board of Directors of Wright Express Corporation from 2005 until May 2008 and has served as the Vice Chairman and Lead Director since May 2008. He has been Chairman and Chief Executive Officer of Cubex Corporation, a privately-held consulting company, since 1992. From 1981 to 1992, Dr. Moriarty was a professor of business administration at Harvard Business School. Dr. Moriarty has served on the Boards of Directors of Staples, Inc., an office products company, CRA International, Inc., an economic, financial and management consulting services firm and Virtusa Corporation, a global information technology services company, since 1986, 2002 and 2006, respectively.
<i>Age 65</i>	
<i>Class III</i>	
<i>Director Since 2005</i>	
<i>Term Expires 2014</i>	<i>The Board concluded that Mr. Moriarty is well suited to serve as a director of the Company because of his experience across a broad spectrum of industries gained as the chairman of CRA International, Inc., as well as his experience as a member of the board of directors of other publicly-traded companies.</i>
<i>Michael E. Dubyak</i>	Mr. Dubyak has served as our President and Chief Executive Officer since August 1998 and was elected as Chairman of the Board of Directors in May 2008. From November 1997 to August 1998, Mr. Dubyak served as our Executive Vice President of U.S. Sales and Marketing. From January 1994 to November 1997, Mr. Dubyak served us in various senior positions in marketing, marketing services, sales, business development and customer service. From January 1986 to January 1994, he served as our Vice President of Marketing. Mr. Dubyak has more than 30 years of experience in the payment processing, information management services and vehicle fleet and fuel industries.
<i>Age 61</i>	
<i>Class III</i>	
<i>Director Since 2005</i>	
<i>Term Expires 2014</i>	

**Table of Contents**

*The Board concluded that Mr. Dubyak is well suited to serve as a director of the Company because of his long experience with the Company and knowledge of the fleet card and payment processing industries.*

*Ronald T. Maheu*

*Age 69*

*Class III*

*Director Since 2005*

*Term Expires 2014*

Mr. Maheu retired in July 2002 from PricewaterhouseCoopers, where he was a senior partner since 1998. Since 2002, Mr. Maheu has been a financial and business consultant. Mr. Maheu was a founding member of Coopers & Lybrand's board of partners. Following the merger of Price Waterhouse and Coopers & Lybrand in 1998, Mr. Maheu served on both the U.S. and global boards of partners and principals of PricewaterhouseCoopers until June 2001. Since January 2003, Mr. Maheu has served on the Board of Directors and serves on the Audit, Executive and Governance Committees of CRA International, Inc., an international consulting firm headquartered in Boston, Massachusetts. Mr. Maheu also serves on the Board of Directors and the Audit Committee of Virtusa Corporation, a global information technology services company. Mr. Maheu is a certified public accountant.

*The Board concluded that Mr. Maheu is well suited to serve as a director of the Company because of his experience with public accounting and subsequent experience as a member of the board of directors of several publicly-traded companies.*

**NUMBER OF DIRECTORS AND TERMS**

Our certificate of incorporation provides that our Board shall consist of such number of directors as is fixed by our By-Laws. Our By-Laws provide that our Board shall consist of such number of directors as from time to time is fixed exclusively by resolution of the Board. Currently, the Board has fixed the size of the Board at eight directors, who serve staggered terms as follows:

each director who is elected at an annual meeting of stockholders serves a three-year term and until such director's successor is duly elected and qualified, subject to such director's earlier death, resignation or removal,

the directors are divided into three classes,

the classes are as nearly equal in number as possible, and

the term of each class begins on a staggered schedule.

**BOARD AND COMMITTEE MEETINGS**

The Board held six meetings in 2011. Each of our directors attended at least 75 percent of the aggregate number of meetings of the board and meetings of the board committees on which he or she served in 2011. Our independent directors meet in executive session in at least one regularly scheduled in-person Board meeting each year. As provided in our Corporate Governance Guidelines, we expect directors to attend the annual meeting of stockholders. All of our directors attended the 2011 annual meeting of stockholders.

**Table of Contents**

Our Board has created the following committees:

NAME OF COMMITTEE AND MEMBERS	COMMITTEES OF THE BOARD OF DIRECTORS	NUMBER OF MEETINGS IN 2011
<i>Audit</i>		
Ronald T. Maheu (Chair)	The Audit Committee must be comprised of at least three directors appointed by a majority of the Board. The Audit Committee oversees our accounting and financial reporting processes, as well as the audits of our financial statements and internal control over financial reporting. All members of the Audit Committee are independent under the rules of the New York Stock Exchange, or the NYSE, and the applicable rules of the Securities and Exchange Commission, or the SEC. In addition, each member of the Audit Committee is required to have the ability to read and understand fundamental financial statements. Unless determined otherwise by the Board, the Audit Committee shall have at least one member who qualifies as an audit committee financial expert as defined by the rules of the SEC. Our Board has determined that Mr. Maheu qualifies as an audit committee financial expert.	9
Regina O. Sommer		
George L. McTavish		
<i>Compensation</i>		
Kirk P. Pond (Chair)	The Compensation Committee must be comprised of at least two directors appointed by a majority of the Board. The Compensation Committee oversees the administration of our equity incentive plans and certain of our benefit plans, reviews and administers all compensation arrangements for executive officers and our Board and establishes and reviews general policies relating to the compensation and benefits of our officers and employees. All members of the Compensation Committee are independent under the rules of the NYSE.	6
Shikhar Ghosh		
Regina O. Sommer		
<i>Corporate Governance</i>		
Jack VanWoerkom (Chair)	The Corporate Governance Committee is comprised of that number of directors as our Board shall determine. Currently, there are four directors serving on the committee. The Corporate Governance Committee's responsibilities include identifying and recommending to the Board appropriate director nominee candidates and providing oversight with respect to corporate governance matters. All members of the Corporate Governance Committee are independent under the rules of the NYSE.	4
Shikhar Ghosh		
Rowland T. Moriarty		
Kirk P. Pond		
<i>Finance Committee</i>		
Rowland T. Moriarty (Chair)	The Finance Committee is comprised of that number of directors as our Board shall determine. Currently, there are three directors serving on the committee. The Finance Committee's responsibilities include advising the Board and the Company's management regarding potential corporate transactions, including strategic investments, mergers, acquisitions and divestitures. The Finance Committee also oversees the Company's debt or equity financings, credit arrangements, investments, and capital structure and capital policies.	9
George L. McTavish		
Michael E. Dubyak		

**Table of Contents****COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

No member of our Compensation Committee (the members of which are listed in the table in the Board and Committee Meetings section) is or was one of our or our subsidiaries' former officers or employees. During 2011, there were no Compensation Committee interlocks as required to be disclosed under SEC rules.

**DIRECTOR COMPENSATION**

In 2010, the compensation committee requested that DolmatConnell & Partners, Inc., or DC&P, review our director compensation plan and provide the committee with recommendations on any changes to meet the following objectives of the compensation plan:

Attract and retain directors

Compensate our directors for the investment of time they make to support the Company

Align director compensation with stockholder interests

The committee reviewed DC&P's analysis and agreed that no significant changes to the Wright Express Corporation Non-Employee Director Compensation Plan were necessary to meet the above objectives for 2011.

The plan split the director retainer between cash and equity as shown below to meet our objectives of attracting and retaining directors while aligning director compensation with stockholder interests.

**Compensation<sup>(1)</sup>**

Annual lead director cash retainer <sup>(2)</sup>	\$ 52,700
Annual lead director equity retainer <sup>(2)(3)</sup>	\$ 102,300
Annual director cash retainer	\$ 35,000
Annual director equity retainer <sup>(3)</sup>	\$ 70,000
Board and committee attendance fee <sup>(4)</sup>	\$ 2,000
Finance Committee cash retainer	\$ 16,000
Audit Committee chair cash retainer	\$ 25,000
Compensation Committee chair cash retainer	\$ 12,000
Corporate Governance Committee chair cash retainer	\$ 12,000
Finance Committee chair cash retainer	\$ 15,000
New director equity grant	\$ 50,000

(1) Members of our Board who are also our employees received no compensation for serving as a director.

(2) The lead director received the cash retainer and equity grant associated with being the lead director and did not receive payment of the annual director cash retainer and annual director equity retainer.

(3) Equity retainers are granted at the time of the Annual Stockholders Meeting. The number of restricted stock units granted is determined by dividing the amount shown above by the then current stock price. Such restricted stock units, or RSUs, vest ratably over a three year period.

(4) Members of the M&A committee, the predecessor committee to the Finance Committee, received no committee attendance fees.



**Table of Contents****Director Compensation**

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (1) (\$)	Total (\$)
Shikhar Ghosh	63,000	69,956	132,956
Ronald T. Maheu	88,000	69,956	157,956
George L. McTavish	81,000	69,996	150,956
Rowland T. Moriarty	103,700	102,268	205,968
Kirk P. Pond	75,000	69,956	144,956
Regina O. Sommer	73,000	69,956	142,956
Jack VanWoerkom	65,000	69,956	134,956

- (1) This column is the fair value of stock awards granted on May 20, 2011. The fair value of these awards was determined in accordance with accounting standards. For the Board of Directors, the Compensation Committee decided to use the closing price of our common stock as reported by the New York Stock Exchange on the day that the award is granted as the fair market value of the common stock. The aggregate number of RSUs outstanding for each director as of December 31, 2011 is as follows: Mr. Ghosh 3,801; Mr. Maheu 3,801; Mr. McTavish 3,801; Dr. Moriarty 5,555; Mr. Pond 3,801; Ms. Sommer 3,801; and Mr. VanWoerkom 3,801.

**2012 Non-Employee Director Compensation Plan Amendments**

In 2011, at the request of the compensation committee, Pearl Meyer and Partners, conducted a thorough analysis of our director compensation programs including peer group and general market comparisons. As a result of this analysis, on December 1, 2011, the Compensation Committee adopted amendments effective January 1, 2012. Under the amended plan, effective January 1, 2012, directors are paid in accordance with the following schedule:

**Annual Cash Retainers**

The Company shall pay each non-employee board member the following annual cash retainer(s) based upon his or her service. All payments hereunder shall be made in equal quarterly amounts.

Annual Lead Director Cash Retainer	\$ 75,000
Annual Director Cash Retainer (other than Lead Director)	\$ 50,000
Audit Committee Chair Cash Retainer	\$ 30,000
Compensation Committee Chair Cash Retainer	\$ 20,000
Finance Committee Chair Cash Retainer	\$ 20,000
Governance Committee Chair Cash Retainer	\$ 15,000
Finance Committee Member Cash Retainer (other than Committee Chair)	\$ 10,000
Audit Committee Member Cash Retainer (other than Committee Chair)	\$ 15,000
Compensation Committee Member Cash Retainer (other than Committee Chair)	\$ 10,000
Governance Committee Member Cash Retainer (other than Committee Chair)	\$ 7,500

To the extent a director is appointed at a time other than the annual stockholders meeting, any Annual Cash Retainers is prorated.

**Equity Retainers**

All directors other than the Lead Director shall, at the time of the annual stockholders meeting, be granted a number of RSUs worth the equivalent of \$90,000 at the then current stock price. Those RSUs vest on the first anniversary of the date of grant. The Lead Director shall, at the time of the annual stockholders meeting, be granted a number of RSUs worth the equivalent of \$115,000 at the then current stock price. Those RSUs also vest on the first anniversary of the date of grant.



## **Table of Contents**

### **New Director Equity Grants**

All new directors shall be granted a number of RSUs worth the equivalent of \$50,000 at the then current stock price. Those RSUs will be granted at the next annual stockholders' meeting after their appointment and will vest on the first anniversary of the date of grant.

### **Fee Deferral**

Directors may defer all or part of their cash fees and equity retainers into deferred stock units which will be payable in Company shares to the Director 200 days following cessation of Board service.

### **Expense Reimbursement**

Directors are reimbursed by the Company for their out-of-pocket travel and related expenses incurred in attending all Board and committee meetings.

### **NON-EMPLOYEE DIRECTOR OWNERSHIP GUIDELINES**

On September 7, 2006, the Compensation Committee established and approved equity ownership guidelines for all non-employee directors.

Equity for the purpose of these guidelines is defined to include shares of the Company's common stock, vested restricted stock units and deferred stock units. Under the guidelines of the equity ownership program, all directors are expected to own equity equal in value to at least three times each director's annual director cash retainer or lead director cash retainer. The Compensation Committee assesses progress against the guidelines each year on July 31. Directors have three years from July 31, 2007, or, if later, three years following their appointment to the Board, to achieve this level of ownership. All of our non-executive directors exceed the holdings in the guidelines.

**Table of Contents****PRINCIPAL STOCKHOLDERS**

This table shows common stock that is beneficially owned by our directors, our chief executive officer, our chief financial officer and our next three most highly compensated executive officers as of December 31, 2011, whom we refer to as our named executive officers, and all persons known to us to own 5 percent or more of the outstanding Company common stock, as of March 20, 2012.

**AMOUNT AND NATURE OF SHARES BENEFICIALLY OWNED**

Name and Address <sup>(1)</sup>	Common Stock Owned <sup>(2)</sup>	Right To Acquire <sup>(3)</sup>	Total Securities Owned <sup>(4)</sup>	Percent of Outstanding Shares
<b>Principal Stockholders:</b>				
BlackRock Inc. <sup>(5)</sup> 40 East 52nd Street New York NY 10022	2,821,566		2,821,566	7.3%
TimesSquare Capital Management, LLC <sup>(6)</sup> 1177 Avenue of the Americas 39th Floor New York, NY 10036	2,590,411		2,590,411	6.7%
Wellington Management Company, LLP <sup>(7)</sup> 280 Congress Street Boston, MA 02210	2,096,336		2,096,336	5.4%
The Vanguard Group, Inc. <sup>(8)</sup> 100 Vanguard Blvd Malvern, PA 19355	2,009,077		2,009,077	5.2%
Neuberger Berman Inc. <sup>(9)</sup> 605 Third Avenue New York, NY 10158	1,944,406		1,944,406	5.0%
<b>Executive Officers and Directors:</b>				
Michael E. Dubyak	95,462	87,412	182,874	*
Steven A. Elder	8,377	5,258	13,635	*
Melissa D. Smith	23,374	23,507	47,881	*
David D. Maxsimic	24,800	6,091	30,891	*
Gareth J. Gumbley	889	1,268	2,157	*
Shikhar Ghosh	2,400	437	2,561	*
Ronald T. Maheu	7,152	2,193	9,345	*
George L. McTavish	4,000	437	4,086	*
Rowland T. Moriarty <sup>(10)</sup>	75,761	3,206	78,967	*
Kirk P. Pond <sup>(11)</sup>	21,352	2,193	23,545	*
Regina O. Sommer	5,452	2,193	7,645	*
Jack VanWoerkom	8,152	2,193	10,345	*
Directors and Executive Officers as a Group (19 Persons) <sup>(12)</sup>	336,998	152,561	488,932	1.3%

\* Less than 1%

(1) Unless otherwise noted, the business address for the individual is care of Wright Express Corporation, 97 Darling Avenue, South Portland, ME 04106.

(2) Unless otherwise noted, includes shares for which the named person has sole voting and investment power or has shared voting and investment power with his or her spouse. Excludes shares that may be acquired through stock option exercises or that are restricted stock unit holdings. This table does not include the following number of shares which will be acquired by our non-employee directors 200 days after their retirement from our Board: 23,738 shares by Mr. Ghosh; 9,023 shares by Mr. Maheu; 20,350 shares by

**Table of Contents**

- Mr. McTavish; 11,999 shares by Dr. Moriarty; 6,498 shares by Mr. Pond; 6,564 shares by Ms. Sommer, and 6,606 shares by Mr. VanWoerkom. All shares identified in this column are held through brokerage accounts and are believed to be pledged as security.
- (3) Includes shares that can be acquired through stock option exercises or the vesting of restricted stock units through May 19, 2012. Excludes shares that may not be acquired until after May 19, 2012. This table does not include the following number of shares which will be acquired by our non-employee directors 200 days after their retirement from our Board: 1,756 shares by Mr. Ghosh and 1,756 shares by Mr. McTavish.
  - (4) Includes common stock and shares that can be acquired through stock option exercises or the vesting of restricted stock units through May 19, 2012.
  - (5) This information was reported on a Schedule 13G filed by BlackRock Inc. ( BlackRock ) with the SEC on February 10, 2012. The Schedule 13G/A reported that BlackRock has sole voting power over 2,821,566 shares and has sole power to dispose 2,821,566 shares. The percentage reported is based on the assumption that BlackRock has beneficial ownership of 2,821,566 shares of common stock on March 20, 2012.
  - (6) This information was reported on a Schedule 13G/A filed by TimesSquare Capital Management, LLC ( TimesSquare ) with the SEC on February 8, 2012. The Schedule 13G/A reported that TimesSquare has sole voting power over 2,177,211 shares and sole power to dispose of 2,590,411 shares. The percentage reported is based on the assumption that TimesSquare holds 2,590,411 shares of common stock on March 20, 2012.
  - (7) This information was reported on a Schedule 13G filed by Wellington Management Company, LLP with the SEC on February 14, 2012. The Schedule 13G indicates that each has shared voting power over 1,870,513 shares and shared dispositive power over 2,096,336 shares. The percentage reported is based on the assumption that Wellington Management Company, LLP has beneficial ownership of 2,096,336 shares of common stock on March 20, 2012.
  - (8) This information was reported on a Schedule 13G filed by The Vanguard Group, Inc. with the SEC on February 6, 2012. The Schedule 13G reported that each has sole voting power over 53,414 shares, sole dispositive power over 1,955,633 shares and shared dispositive power over 53,414 shares. The percentage reported is based on the assumption that The Vanguard Group, Inc. has beneficial ownership of 2,009,077 shares of common stock on March 20, 2012.
  - (9) This information was reported on a Schedule 13G/A filed by Neuberger Berman Inc. and Neuberger Berman, LLC with the SEC on February 14, 2012. The Schedule 13G/A indicates that each has sole voting power over 1,472,947 shares and shared dispositive power over 1,944,406 shares. The percentage reported is based on the assumption that each has beneficial ownership of 1,944,406 shares of common stock on March 20, 2012.
  - (10) Includes 19,000 shares held indirectly through Rubex, LLC and 9,000 shares held indirectly through the Moriarty Family Charitable Trust. Dr. Moriarty is the Chief Investment Officer and Managing Member of Rubex, LLC and disclaims beneficial ownership of those shares except to the extent of his pecuniary interest in them. Dr. Moriarty disclaims beneficial ownership of the Moriarty Family Charitable Trust shares except to the extent of his pecuniary interest in them.
  - (11) Includes 2,500 shares held indirectly through the Pond Family Foundation; 700 shares held indirectly through the Loretta A. Pond Trust; and 3,000 shares held by Mr. Pond's spouse. Mr. Pond disclaims beneficial ownership of those shares except to the extent of his pecuniary interest in them.
  - (12) In addition to the officers and directors named in this table, seven other executive officers were members of this group as of March 20, 2012.

## **Table of Contents**

### **DIRECTOR INDEPENDENCE**

We have considered the independence of each member of the Board. To assist us in our determination, we reviewed NYSE requirements and our general guidelines for independence, which are part of our corporate governance guidelines.

To be considered independent: (1) a director must be independent as determined under Section 303A.02(b) of the NYSE Listed Company Manual and (2) in the Board's judgment, the director must not have a material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company).

The Board has established guidelines to assist it in determining whether a director has a material relationship with the Company. Under these guidelines, a director will not be considered to have a material relationship with the Company if (1) he or she is independent as determined under Section 303A.02(b) of the NYSE Listed Company Manual and (2) he or she: (i) serves as an executive officer of another company which is indebted to the Company, or to which the Company is indebted, provided that the total amount of either company's indebtedness to the other is less than one percent of the total consolidated assets of the company he or she serves as an executive officer; (ii) serves as an officer, director or trustee of a tax exempt organization, provided that the Company's discretionary contributions to such organization are less than the greater of \$1 million or 2 percent of that organization's consolidated gross revenues; or (iii) serves as a director of another company with which the Company engages in a business transaction or transactions, provided that the director owns less than 5 percent of the equity interests of such other company and recuses himself or herself from deliberations of the Board with respect to such transactions. In addition, ownership of a significant amount of the Company's stock, by itself, does not constitute a material relationship. For relationships not covered by the guidelines set forth above, the determination of whether a material relationship exists shall be made by the other members of the Board of Directors who are independent as defined above.

Based on our guidelines and NYSE corporate governance standards, we have determined that the following directors are independent: Shikhar Ghosh, Ronald T. Maheu, George L. McTavish, Rowland T. Moriarty, Kirk P. Pond, Regina O. Sommer and Jack VanWoerkom.

### **DIRECTOR NOMINATIONS**

The Corporate Governance Committee is composed entirely of independent directors as determined by the Board in accordance with its independence guidelines and the listing standards of the NYSE. Among the committee's responsibilities is recommending candidates for nomination to the Board. In that capacity, the Corporate Governance Committee, with Mr. VanWoerkom abstaining, recommended Mr. VanWoerkom for election by our stockholders and, unanimously recommended Mr. McTavish and Ms. Sommer for election. Mr. VanWoerkom and Ms. Sommer have served as members of our Board since February 2005 and Mr. McTavish has served as a member of our Board since 2007.

The Corporate Governance Committee will consider candidates nominated by stockholders for next year's meeting in the same manner as candidates nominated by the Corporate Governance Committee. If the Board determines to nominate a stockholder-recommended candidate and recommends his or her election, then that nominee's name will be included in the proxy card for the next annual meeting. Our stockholders also have the right under our By-Laws to directly nominate director candidates and should follow the procedures outlined in the answer to the question section entitled *How do I submit a stockholder proposal, including suggesting a candidate for nomination as a director to the Corporate Governance Committee, for next year's annual meeting?*

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received not earlier than January 18, 2013 nor later than February 19, 2013. However, in the event that the annual meeting is called for a date that is not within 25 days before or after May 18, 2013, notice by the stockholder must be received no

## **Table of Contents**

earlier than 120 days prior to the annual meeting and no later than the later of the 90th day prior to the annual meeting or the tenth day following the day on which notice of the date of the annual meeting is mailed or publicly disclosed.

Stockholder nominations must be addressed to:

Wright Express Corporation  
Attention: Corporate Secretary  
97 Darling Avenue  
South Portland, ME 04106

### ***Director Qualifications***

The qualifications for directors are described in our Corporate Governance Guidelines and the guidelines for evaluating director nominees are in the Corporate Governance Committee's charter, each of which is available on our website. In addition, the Corporate Governance Committee believes that a nominee for the position of director must meet the following specific, minimum qualifications:

Nominees should have a reputation for integrity, honesty and adherence to high ethical standards.

Nominees should have demonstrated business acumen, experience and ability to exercise sound judgments in matters that relate to the current and long-term objectives of the Company and should be willing and able to contribute positively to the decision-making process of the Company.

Nominees should have a commitment to understand the Company and its industry and to regularly attend and participate in meetings of the Board and its committees.

Nominees should have the interest and ability to understand the sometimes conflicting interests of the various constituencies of the Company, which include stockholders, employees, customers, governmental units, creditors and the general public, and to act in the interests of all stockholders.

Nominees should not have, nor appear to have, a conflict of interest that would impair the nominee's ability to represent the interests of all the Company's stockholders and to fulfill the responsibilities of a director.

Our Corporate Governance Committee does not have a policy with respect to diversity, but believes that our Board, taken as a whole, should embody a diverse set of skills, experiences and backgrounds. Our Board currently is comprised of eight directors, one of whom is a woman and another of whom is an Asian Indian. The Committee intends to be mindful of the diversity, with respect to gender, race and national origin, of our current Board members in connection with future nominations of directors not presently serving on the Board. In addition, our Corporate Governance Committee's charter provides that nominees shall not be discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability or any other basis proscribed by law.

### ***Application of Criteria to Existing Directors***

The re-nomination of existing directors is not viewed as automatic, but is based on continuing qualification under the criteria listed above. In addition, the Corporate Governance Committee considers the existing directors' performance on the Board and any committee, which shall include consideration of the extent to which the directors undertook continuing director education.

## Edgar Filing: Wright Express CORP - Form DEF 14A

The backgrounds and qualifications of the directors considered as a group are to provide a significant breadth of experience, knowledge and abilities in order to assist the Board in fulfilling its responsibilities. The rationale for the Company's determination that each director is well suited to serve on the Board is specified with his or her respective biographical entry under the "Members of the Board of Directors" section of this proxy statement.



## **Table of Contents**

### **COMMUNICATIONS WITH THE BOARD OF DIRECTORS**

The Board believes that the Chief Executive Officer and his designees speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies who are involved with the Company. It is, however, expected that Board members would do so with the knowledge of and, absent unusual circumstances or as contemplated by the committee charters, only at the request of the Company's senior executives.

The Board will give appropriate attention to written communications that are submitted by stockholders and other interested parties, and will respond if and as appropriate. Absent unusual circumstances or as contemplated by the committee charters, the Vice Chairman and Lead Director shall, subject to advice and assistance from the General Counsel, (1) be primarily responsible for monitoring communications from stockholders and other interested parties, and (2) provide copies or summaries of such communications to the other directors as he considers appropriate.

If you wish to communicate with the Board or the independent members of the Board, you may send your communication in writing to:

Independent Director Communication

Wright Express Corporation

Attention: Corporate Secretary

97 Darling Avenue

South Portland, ME 04106

You should include your name and address in the written communication and indicate whether you are a stockholder.

### **Governance Disclosures on Our Website**

Complete copies of our corporate governance guidelines, committee charters and code of conduct are available on the Corporate Governance section of our website, at [www.wrightexpress.com](http://www.wrightexpress.com). In accordance with NYSE rules, we may also make disclosure of the following on our website:

the identity of the lead director at meetings of independent directors;

the method for interested parties to communicate directly with the lead director or with the independent directors as a group;

the identity of any member of our audit committee who also serves on the audit committees of more than three public companies and a determination by our Board that such simultaneous service will not impair the ability of such member to effectively serve on our audit committee; and

contributions by us to a tax exempt organization in which any independent director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year exceeded the greater of \$1 million or 2% of such tax exempt organization's consolidated gross revenues.

### **INDEPENDENT REGISTERED PUBLIC ACCOUNTANT**

### **AUDIT COMMITTEE REPORT**

## Edgar Filing: Wright Express CORP - Form DEF 14A

The board of directors appointed us as an audit committee to monitor the integrity of Wright Express consolidated financial statements, its system of internal controls and the independence and performance of its internal audit department and independent registered public accounting firm. As an audit committee, we select the independent registered public accounting firm.

## Table of Contents

We are governed by a written charter adopted by the Board, which is available through the Investor Relations page of the Company's website at [www.wrightexpress.com](http://www.wrightexpress.com).

Our committee consisted of three non-employee directors at the time that the actions of the committee described in this report were undertaken. Each member of the audit committee is independent within the meaning of the New York Stock Exchange rules and the Securities Exchange Act of 1934. Wright Express management is responsible for the financial reporting process, including the system of internal controls, and for the preparation of consolidated financial statements in accordance with generally accepted accounting principles. Wright Express independent registered public accounting firm is responsible for auditing those financial statements. Our responsibility is to monitor and review these processes. However, we are not professionally engaged in the practice of accounting or auditing. We have relied, without independent verification, on the information provided to us and on the representations made by Wright Express management and independent registered public accounting firm.

In fulfilling our oversight responsibilities, we discussed with representatives of D&T LLP, the Company's independent registered public accounting firm for fiscal year 2011, the overall scope and plans for their audit of the consolidated financial statements for fiscal year 2011. We met with them, with and without Wright Express management present, to discuss the results of their examinations, their evaluations of the Company's internal control over financial reporting and the overall quality of Wright Express financial reporting. We reviewed and discussed the audited consolidated financial statements for fiscal year 2011 with management and the independent registered public accounting firm.

We also reviewed the report of management contained in the Annual Report on Form 10-K for the fiscal year ended December 31, 2011, filed with the SEC, as well as the Report of Independent Registered Public Accounting Firm included in the annual report on Form 10-K related to their audit of (i) the consolidated financial statements and (ii) the effectiveness of internal control over financial reporting. We continue to oversee the Company's efforts related to its internal control over financial reporting and management's preparations for the evaluation in fiscal year 2012.

We discussed with the independent registered public accounting firm the matters required to be discussed by Statement of Auditing Standards (SAS) No. 61, *Communication with Audit Committees*, as amended, as adopted by the Public Company Accounting Oversight Board, including a discussion of Wright Express accounting principles, the application of those principles, and the other matters required to be discussed with audit committees under generally accepted auditing standards.

In addition, we received from the independent registered public accounting firm the letter and the written disclosures required by the applicable requirements of the Public Company Accounting Oversight Board, and discussed the disclosures with them, as well as other matters relevant to their independence from management and Wright Express. In evaluating the independence of our independent registered public accountant, we considered whether the services they provided beyond their audit and review of the consolidated financial statements were compatible with maintaining their independence. We also considered the amount of fees they received for audit and non-audit services.

Based on our review and these meetings, discussions and reports, we recommended to the board of directors that the audited consolidated financial statements for fiscal year 2011 be included in the Annual Report on Form 10-K.

### THE AUDIT COMMITTEE

Ronald T. Maheu, Chair

Regina O. Sommer

George L. McTavish

**Table of Contents****AUDITOR SELECTION AND FEES*****Auditor Selection***

The Audit Committee has selected D&T as the Company's independent registered public accountant for the 2012 fiscal year. D&T has served as the Company's independent registered public accountant since our initial public offering.

***Audit Fees***

The following is a description of the fees billed to the Company by D&T for the years ended December 31, 2010 and 2011:

	December 31,	
	2010	2011
Audit Fees <sup>(1)</sup>	\$ 1,546,820	\$ 1,789,160
Audit-Related Fees <sup>(2)</sup>	106,000	234,705
Tax Fees		
All Other Fees		
<b>Total</b>	<b>\$ 1,652,820</b>	<b>\$ 2,023,865</b>

(1) These are the aggregate fees for professional services by D&T in connection with their audits of the annual financial statements, included in the annual report on Form 10-K, reviews of the financial statements included in quarterly reports on Forms 10-Q and audits of our internal control over financial reporting, as well as fees associated with the statutory audits of certain of our foreign entities.

(2) These are the aggregate fees for professional services by D&T in connection with the audit of the Wright Express Employee Savings Plan and SSAE 16 Report.

***Pre-Approval Policies and Procedures***

The Audit Committee has adopted a policy regarding pre-approval of audit and non-audit services performed by D&T. According to the policy, the Audit Committee shall pre-approve all audit services to be provided to the Company, whether provided by the principal independent registered public accountant or other firms, and all other permitted services (review, attest and non-audit) to be provided to the Company by the independent registered public accountant; provided, however, that de minimis permitted non-audit services may instead be approved in accordance with applicable SEC rules. The independent registered public accountant is not authorized to provide any prohibited non-audit services (as defined in Rule 2-01(c)(4) of Regulation S-X). The Chairman of the Audit Committee has the authority to pre-approve any permitted services on behalf of the Audit Committee and shall notify the full committee of such approval at its next meeting.

Since our initial public offering on February 16, 2005, the Audit Committee has pre-approved all of the services performed by D&T.

**Table of Contents**

**EXECUTIVE OFFICERS**

**Non-Director Members of the Executive Management Team**

*Melissa D. Smith*  
*Age 43*  
*President,*  
*The Americas*

Melissa D. Smith has served as our President, the Americas, since January 2012. Before that, she served as President, North America from April 2011 until December 2011. She served as our Chief Financial Officer and Executive Vice President, Finance and Operations from November 2007 to April 2011. Before that, she was our Senior Vice President, Finance and Chief Financial Officer from September 2001 until November 2007. From May 1997 to August 2001, Ms. Smith held various positions of increasing responsibility with the Company. Ms. Smith serves on the Board of Directors of Wright Express Financial Services Corporation. Ms. Smith began her career at Ernst & Young.

*Gareth Gumbley*  
*Age 39*  
*Executive Vice*  
*President,*  
*International*

Gareth Gumbley has served as our Executive Vice President, Wright Express International since January 2011. Mr. Gumbley is responsible for the Company's international operations and the execution of its global expansion strategy. Prior to joining Wright Express, Mr. Gumbley was Chief Executive Officer of Euronet Worldwide's epay division from May 2008 to May 2010. Mr. Gumbley was a Senior Vice President and Officer of Euronet Worldwide from May 2008 to May 2010. His responsibilities included the strategy and operational development of the epay division, including acquisitions in existing and emerging markets. He also served as Managing Director of epay Australia, New Zealand and India, a Euronet Worldwide Company, from November 2004 to May 2008. Mr. Gumbley started his career at News Corporation leading multiple start-ups in the payments and telecommunications industries.

*David D. Maxsimic*  
*Age 52*  
*Executive Vice*  
*President, Sales and*  
*Marketing*

David D. Maxsimic has served as our Executive Vice President, Sales and Marketing since November 2007. Before that, he was our Senior Vice President, Sales and Marketing from January 2003 until November 2007. From November 1997 to January 2003, Mr. Maxsimic held various positions of increasing responsibility with the Company.

*Steven Elder*  
*Age 43*  
*Senior Vice President*  
*and Chief Financial*  
*Officer*

Steven Elder has served as our Senior Vice President and Chief Financial Officer since April 2011. Before that, he was our Vice President, Corporate Finance and Treasurer from December 2007 until his promotion in April 2011. Prior to that, he was our Vice President, Investor Relations and Treasurer from September 2005 until December 2007. Mr. Elder has worked for the Company for over 14 years, during which time he served in a variety of financial roles of increasing responsibility. Mr. Elder began his career at Ernst & Young.

*George W. Hogan*  
*Age 51*  
*Senior Vice President*  
*and Chief*

George Hogan has been our Senior Vice President and Chief Information Officer since November 2007. Mr. Hogan joined Wright Express in January 2007 as Vice President of Enterprise Architecture. Before that, he was Vice President, Commercial, Loyalty and Back Office Application Development at Visa USA/Inovant, the credit card company, from August 2000 to January 2007.

## Edgar Filing: Wright Express CORP - Form DEF 14A

*Information Officer*

*Robert C. Cornett*

Robert C. Cornett has served as our Senior Vice President, Human Resources since February 2005. Prior to that, Mr. Cornett served as our Vice President, Human Resources from April 2002 until February 2005.

*Age 59*

*Senior Vice*

*President, Human*

*Resources*

**Table of Contents**

<i>Jamie Morin</i>	Jamie Morin has served as our Senior Vice President, Client Service Operations since January 2007. From August 2005 to December 2006, Ms. Morin served as our Vice President of Business Initiatives Management. From December 1997 to August 2005, she held various positions of increasing responsibility with the Company.
<i>Age 47</i>	
<i>Senior Vice</i>	
<i>President, Client</i>	
<i>Service Operations</i>	
<i>Hilary A. Rapkin</i>	Hilary A. Rapkin has served as our Senior Vice President, General Counsel and Corporate Secretary since February 2005. From January 1996 to February 2005, Ms. Rapkin held various position of increasing responsibility with the Company. Ms. Rapkin is a member of the American Bar Association, the Maine State Bar Association, the Association of Corporate Counsel, the Society of Corporate Secretaries and Governance Professionals and the New England Legal Foundation.
<i>Age 45</i>	
<i>Senior Vice</i>	
<i>President, General</i>	
<i>Counsel and</i>	
<i>Corporate Secretary</i>	
<i>Richard K. Stecklair</i>	Richard K. Stecklair has served as our Senior Vice President, Corporate Payment Solutions since December 2007 and was appointed as an executive officer by our Board of Directors in March 2009. Before that, he was our Vice President, Corporate Fleet Sales from December 2006 until December 2007. From January 2003 until December 2006, Mr. Stecklair served as our Vice President and General Manager, Wright Express Direct Sales.
<i>Age 63</i>	
<i>Senior Vice</i>	
<i>President, Corporate</i>	
<i>Payment Solutions</i>	
<i>Gregory Strzegowski</i>	Gregory Strzegowski has served as our Senior Vice President, Corporate Development since October 2009. Before that, he was our Vice President, International, Business Development and Mergers and Acquisitions from December 2007 until October 2009. From March 2002 until November 2007, Mr. Strzegowski served as our Vice President and Controller.
<i>Age 45</i>	
<i>Senior Vice</i>	
<i>President, Corporate</i>	
<i>Development</i>	
<i>Kenneth Janosick</i>	Kenneth Janosick has been our Senior Vice President, Small Business Solutions since December 2010. He joined Wright Express as Vice President, Product and Marketing in January 2009 and served in that role until December 2010. Before that, Mr. Janosick was a First Vice President at JPMorgan Chase bank from November 2006 until November 2009 with responsibility for Relationship Banking and Investments and the Small Business Division.
<i>Age 50</i>	
<i>Senior Vice</i>	
<i>President, Small</i>	
<i>Business Solutions</i>	





**Table of Contents**

**EXECUTIVE COMPENSATION**

**COMPENSATION DISCUSSION AND ANALYSIS**

This Compensation Discussion and Analysis, or CD&A, describes our compensation objectives and programs for our executive officers. The CD&A also describes the specific decisions, and the process supporting those decisions, which were made with respect to 2011 for the executive officers named in the Summary Compensation Table. We refer to these persons as our named executive officers or NEOs.

The following discussion includes statements regarding performance targets in the limited context of our compensation programs. These targets should not be understood to be statements of management's expectations of our future results or other guidance. Investors should not apply these targets in any other context.

**Executive Summary**

Wright Express philosophy regarding executive compensation is straightforward: reward our executives for their contribution to the Company's annual and long-term performance by tying a significant portion of their total compensation to key drivers of increased stockholder value. The elements of our executives' total compensation are base salary, cash incentive awards, stock incentive awards, and retirement and other employee benefits. A significant portion of executive compensation is performance-based, subject to increase when results exceed corporate targets, reduction when results fall below target and elimination if results do not achieve threshold levels of performance. The performance measures used in our compensation programs include adjusted revenue, adjusted net income and other operational and strategic goals. Please refer to the notes to the table of performance objectives for an explanation of how our performance measures that are non-GAAP financial measures are calculated.

2011 was a very strong year for Wright Express. Total revenue grew 42% and adjusted net income grew 32% over 2010. This performance was driven by continued execution against our multi-pronged growth strategy to expand our North American fleet business, diversify our revenue streams and build out our international presence. Over the past year, we:

Extended our North America market share with both large and small fleets by increasing our penetration and signing new private label customers.

Continued to focus on innovation, introducing new products, features, and applications such as fuel site locator, WEXSMART's Fuel Guard and pump shut-off. These products enhance the value we provide to our customers and increase the efficiency and effectiveness of their fleets.

Increased our international penetration as Wright Express Australia achieved smaller fleet wins and signed existing larger clients to multi-year contract extensions.

Wright Express stockholders experienced an increase of 18% in their investment based on total shareholder return as measured from December 31, 2010 to December 31, 2011, approximating the 61<sup>st</sup> percentile as compared to our peer group (as discussed below under the heading Peer Group).

The compensation paid to our NEOs reflects their contribution to Wright Express' success in 2011. In order to tie NEO total compensation to the performance of the Company, the performance targets for the 2011 short-term incentive program, or STIP, were set as follows for NEOs other than Mr. Gumbley:

50% of the 2011 STIP payout was based on the Company's financial results as compared to our goal for Adjusted Net Income, or ANI, in STIP. ANI, for the purposes of STIP, was approximately \$142 million against a target of approximately \$133 million. This resulted in a payment of 149% of target for ANI performance.



---

**Table of Contents**

20% of the 2011 STIP payout to NEOs was based on the achievement of revenue targets. Revenue, as defined in the STIP, was approximately \$520 million against a 2011 STIP target of approximately \$517 million, resulting in a payout of 112% of target for revenue performance.

15% of the 2011 STIP payout to NEOs was based on New Revenue sources. New Revenue sources, as defined in the STIP, was just above the target of \$5 million, resulting in a payment of 101% of target for New Revenue sources.

The remaining 15% of the 2011 STIP payout to NEOs was based on Total International ANI. Total International ANI, as defined in the STIP, was approximately \$17 million against a target of approximately \$18 million, resulting in a payment of 67% of target for Total International ANI.

The combined achievement under the STIP resulted in the US NEOs receiving a STIP payment of 122% of target. As a result of the STIP payments, our NEOs total cash compensation, on average, was between the 50th and 75th percentiles of the market data provided by our consultant in September of 2010. This compensation is generally consistent with our overall performance for 2011, which was in the top quartile as compared to our peer group (as defined below) for both revenue growth and profit margin.

In recognition of his international focus, Mr. Gumbley's STIP included similar performance targets, but with different weightings. Corporate ANI accounted for 15% of his STIP, Total International Revenue accounted for 20%, and New Revenue Sources for 15%. The remaining 50% of Mr. Gumbley's STIP was based on achievement relative to a Total International ANI target of approximately \$70 million. Total International Revenue, as defined in the STIP, totaled approximately \$68 million. This resulted in a payment at 98% of target bonus.

In addition to his STIP payment, Mr. Gumbley also received sign on bonuses of 100,000 GBP (or \$160,500 based on a 1-year average exchange rate of 1 GBP : 1.605 USD) pursuant to his service agreement, made in two equal installments in June and December 2011.

In 2011, in addition to the cash compensation earned by the NEOs, we made a grant of equity in March 2011 as part of our long-term incentive program, or LTIP. Grants were comprised of 60% of performance based restricted stock units, or PSUs, and 40% of time vested restricted stock units, or RSUs. To reflect the Company's focus on profitable growth, the PSUs only vest upon achievement of performance criteria that included either a combination of PPG Adjusted Revenue and Adjusted Net Income objectives for 2011 (for NEOs other than Mr. Gumbley) or a combination of International Revenue and International Adjusted Net Income Objectives for 2011 (for Mr. Gumbley). In our incentive programs, PPG adjusted revenue refers to revenue adjusted for changes in fuel prices to a fixed price of \$3.19 per gallon. Based on achievement relative to the 2011 PPG adjusted revenue and Adjusted Net Income targets, both as defined in the LTIP, 127% of the 2011 LTIP PSUs granted to NEOs other than Mr. Gumbley have been earned, while 80% of the 2011 LTIP PSUs granted to Mr. Gumbley have been earned. RSUs and earned PSUs will vest equally over three years on the anniversary of the grant date.

In consideration of Mr. Maxsimic's entry into an Executive Retention Agreement that provides enhanced non-competition and non-solicitation obligations for up to two years following the termination of his employment for any reason, we made an additional grant of 1,843 RSUs to Mr. Maxsimic in May 2011. The RSUs will vest on the first anniversary of the grant date.

We also made an additional equity award of 3,687 RSUs to Ms. Smith in May 2011 in recognition of her promotion to President, North America. The RSUs will vest equally over three years on the anniversary of the grant date.

On average, over 40% of the NEOs' cash compensation is variable and related to Company performance and 65% of their total compensation (including equity) is aligned with the performance of the Company. The Committee is confident that the compensation programs outlined in this CD&A are market competitive and provide the appropriate incentive for the NEOs to achieve above market financial performance for the stockholders.

## **Table of Contents**

Other notable aspects of our executive compensation practices include the following:

We have stock ownership guidelines for our executives and directors.

Following the elimination of our Company-sponsored automobile program on December 31, 2011, we have eliminated all perquisites for executives.

An independent executive compensation consultant is retained by the Compensation Committee of the Board, or the Committee, each year to provide objective advice to it.

We conduct a compensation risk assessment when implementing compensation programs and believe that there is not a reasonable likelihood that our compensation programs present significant risk to the Company.

The Committee remains committed to providing our NEOs with competitive compensation opportunities that allow for significant upside when the Company is performing well above target and the stockholders are receiving returns commensurate with that level of performance. We remain focused on our pay-for-performance alignment and vigilant to avoid compensation arrangements that would incent excessive risk taking.

### **Consideration of 2011 Advisory Vote on Executive Compensation**

We conducted our first advisory vote on executive compensation last year at our 2011 annual meeting of stockholders. While this vote was not binding on us, our board of directors and the Committee value the opinions of our stockholders. In addition to our advisory vote on executive compensation, we are committed to ongoing engagement with our stockholders on executive compensation and corporate governance issues. These engagement efforts take place throughout the year through meetings, telephone calls and correspondence involving our senior management and representatives of our stockholders.

At our 2011 annual meeting of stockholders, more than 92% of the votes cast on the advisory vote on executive compensation proposal (Proposal No. 2) were in favor of approval of our named executive officer compensation as disclosed in our proxy statement. Because the stockholder advisory vote on executive compensation was held in May 2011, after the 2011 compensation program had been designed and salary decisions and performance awards had been made, the Committee did not consider the favorable shareholder advisory vote in structuring compensation awards for 2011. However, the Committee did consider the results of the shareholder advisory vote, along with many other factors, in its review of compensation policies and programs prior to structuring compensation awards for 2012. Given the significant percentage of votes cast in favor of the executive compensation program, no meaningful changes were made in 2011.

### **Compensation Philosophy**

Wright Express is a global provider of business payment processing and information management solutions. We compete for both clients and employees with significantly larger companies. Our primary differentiator in this competitive market is our client-centered partnering approach. Our clients count on this when they outsource their branded business to us. The experience and performance of our associates, including the members of our executive team, are critical to sustaining this level of differentiation. Our chairman, president and chief executive officer has been with the Company for over 25 years and has been instrumental in guiding this approach and in our resulting growth. The other members of our executive team bring significant industry and/or Company experience which is critical to our continued success. Accordingly, in addition to being designed to support our goals of achieving strong year-over-year and long-term growth and stockholder value, our compensation programs reflect the competitive environment in which we operate and our focus on differentiation in the marketplace through continuity of leadership and culture.

**Table of Contents**

Our compensation programs are designed and administered to balance the achievement of near-term operational results and long-term growth goals with the ultimate objective of increasing long-term stockholder value. We achieve this by structuring our compensation programs to:

Attract and retain high-performing talent

Drive outstanding operational and financial performance

Align executive and stockholder interests for profitable long-term growth

**Compensation Objectives**

We recognize the role total compensation plays in achieving our objectives of attracting, retaining and motivating our high-performing associates, including our executives, to achieve results. The chart below identifies the compensation elements and method of delivery used to support each of our compensation objectives.

Element of Compensation	Reward Period	Primary Objective			Align Interests for Growth with Stockholders	Method of Delivery
		Attract	Retain	Drive Performance		
Base Salary	Ongoing	þ	þ	¨	¨	- Cash
Cash Incentive	Annual <sup>(1)</sup>	þ	þ	þ	þ	- Cash
Equity Incentive	Annual <sup>(1)</sup>	þ	þ	þ	þ	- Restricted Stock Units - Performance Based Restricted Stock Units - Non Qualified Stock Options
Benefits and Perquisites	Ongoing	þ	þ	¨	¨	- Health and Welfare Benefits - Deferred Compensation Program - Automobile <sup>(2)</sup> - 401(k) - Employment Agreements

<sup>(1)</sup> Cash and Equity Incentives are generally provided on an annual basis. From time to time, the Committee approves grants of cash or equity to executives in addition to the grants provided under these annual programs in order to reward for achievement of critical near-term milestones in the pursuit of long-term growth.

<sup>(2)</sup> The executive automobile perquisite was eliminated effective December 31, 2011.

We believe the compensation of our executives should, and does, reflect the performance and ultimate success of our Company. In setting compensation levels for each executive, we evaluate total direct compensation (base salary plus short-term incentive at target plus long-term equity incentive at target) against multiple factors including:

Company success in achieving pre-determined revenue, adjusted net income and other operational and strategic goals

Market and peer group comparison data

The value of the unique skills and experience each executive brings to our Company and the importance of his or her continued leadership in the Company

Annually, we reevaluate each compensation element with a focus on total direct compensation. We also evaluate equity ownership levels for each executive. The purpose of this review is to appropriately reward and motivate our executive team to increase stockholder value with a focus on providing compensation at above target levels when Company performance is above target and compensation below target levels when we do not achieve our performance goals.

## **Table of Contents**

In evaluating the components of compensation and the metrics used to determine individual and Company performance, the Committee considers whether these factors drive an appropriate level of risk taking. The Committee believes that the mix and design of the elements of compensation incentive management to assume appropriate levels of risk to achieve both near-term operational goals and long-term growth. The Committee reviews the strategic, financial, and execution risks and exposures associated with the initiatives that drive our performance based incentive compensation. In addition, the Committee believes the following help ensure an appropriate level of risk in our compensation programs:

A competitive base salary which provides executives with ongoing income

Minimum thresholds and maximum performance caps in incentive plans

Incentive plan funding based on actual results measured against pre-approved financial and operational goals and metrics that are clearly defined in all plans

The use of both time based and performance based incentives

Multi-year vesting of stock compensation to provide value through long-term appreciation of stockholder value

Stock ownership guidelines that align executives' interests with those of our stockholders

### **Annual Process of the Compensation Committee**

The Committee is responsible for review and oversight of executive compensation. This includes approval of corporate goals and objectives used in the compensation programs for executives as well as setting executive compensation and approving annual incentive plan payouts and long-term incentive stock grants. The Committee meets at least once each quarter. In addition to the three independent directors who serve on the Committee, typical attendance at these meetings includes the Senior Vice President, Human Resources, the Vice President of HR Strategy, Compensation and Benefits and the Associate General Counsel and Assistant Corporate Secretary. Mr. Dubyak, our Chairman, President and CEO, generally joins two meetings each year to discuss the mid-year and end-of-year appraisal of his performance with the Committee. Otherwise, he generally does not attend Committee meetings. The Committee also meets in executive session as needed with no members of management present. Only the independent directors are entitled to vote on proposals that come before the Committee.

In the first quarter of each fiscal year, the Committee reviews the Board's assessment of the CEO's performance with him and reviews the Company's results for the prior year. In addition, the Committee approves the following as explained in the Annual Review of Executive Compensation section:

Changes to executive base salaries and incentive targets, if any, for the current year

STIP payout, if any, for the previous fiscal year

STIP design and targets for the current fiscal year

Vesting of performance-based stock units granted under the LTIP, if any, for previous years

LTIP metrics, targets and grants for the current year

Agenda items for the second quarter vary each year but always include a review of Company performance and progress toward the achievement of incentive plan targets.

The Committee generally conducts its annual review of executive compensation in the third quarter of each year. The Committee is provided a report from the independent compensation consultant who compares the compensation of the Company's executives to a Peer Group of companies, details appropriate survey data and provides recommendations for compensation actions to be taken for the upcoming fiscal year.



## **Table of Contents**

In the final quarter of each fiscal year, management generally presents the Committee with recommended executive compensation changes for each element of compensation. Included in this presentation is a total direct compensation and wealth accumulation review for each member of the executive team. The review shows proposed total direct compensation in the context of historical compensation and current and projected wealth accumulated through the compensation provided by the Company.

The design of the STIP and LTIP is typically discussed over multiple meetings prior to the actual approval of the plans in the first quarter of each year. The discussions generally focus on the metrics to be utilized, the difficulty of the metric levels and the weightings for each category of metric.

### **Role of the Compensation Consultant**

Over the past two years, the Committee has utilized both DolmatConnell & Partners, Inc., or DC&P (in 2010) and Pearl Meyer & Partners LLC, or PM&P, (in 2011) to provide advice regarding the Company's executive compensation practices. DC&P and PM&P both reported directly to the Committee and the primary services they provided were evaluations of executive officers' base salaries, annual incentive targets and long-term incentive targets relative to identified peers and the broader market and a recommendation of compensation ranges for each executive officer. PM&P also provided advice on the design of the Company's incentive plans, a review of Director compensation, assistance in drafting the CD&A and updates regarding legislative and regulatory changes that affect executive compensation. Neither DC&P nor PM&P provided any other services to the Company.

### **Role of the Executive Officers**

In approving compensation levels, the Committee considers Mr. Dubyak's recommendations regarding total direct compensation for the executive officers. Mr. Dubyak provides the Committee with an assessment of each executive officer's performance to support his recommendations. These assessments include the results of specific operational and strategic goals as well as progress in the area of succession planning and concerns, if any, in the area of retention of the executive officer. Mr. Dubyak does not provide recommendations for his own compensation. Ms. Smith, who served as CFO and Executive Vice President, Finance and Operations until April 2011 and now serves as our President, The Americas, and Mr. Elder, who has served as our CFO since April 2011, attended meetings as needed to respond to requests for information from the Committee.

### **Peer Group**

The peer group used by the Company in 2010 for the establishment of fiscal year 2011 compensation was developed by DC&P, based on input from management and a review by the Committee. The peer group is generally reviewed each year and modified as needed to reflect our growth and to account for changes due to market consolidation among peers.

**Table of Contents**

The following companies were utilized in DC&P's executive compensation assessment in the fall of 2010 which was used for establishing 2011 compensation.

Company	2011 Fiscal Year End Market Cap (\$M)	2011 Revenue Fiscal Year (\$M)	1-Year Revenue Growth	2011 Fiscal Year End Basic EPS	2011 Fiscal Year End Net Income (\$M)	1-Year Net Income Growth	2011 Fiscal Year End Total Assets (\$M)	Fiscal Year End
Alliance Data Systems Corporation	\$ 5,217	\$ 3,173	14%	\$ 6.22	\$ 315	63%	\$ 8,980	Dec 11
CSG Systems International, Inc.	\$ 501	\$ 735	34%	\$ 1.29	\$ 42	89%	\$ 818	Dec 11
Euronet Worldwide, Inc.	\$ 933	\$ 1,161	12%	\$ 0.71	\$ 37	-196%	\$ 1,506	Dec 11
Fleetcor Technologies, Inc.	\$ 2,427	\$ 520	20%	\$ 1.83	\$ 147	37%	\$ 2,324	Dec 11
Global Cash Access Holdings, Inc.	\$ 288	\$ 544	-10%	\$ 0.14	\$ 9	-48%	\$ 529	Dec 11
Global Payments, Inc.	\$ 4,160	\$ 1,860	13%	\$ 2.63	\$ 209	3%	\$ 3,351	May 11
Heartland Payment Systems, Inc.	\$ 960	\$ 1,997	7%	\$ 1.13	\$ 44	27%	\$ 597	Dec 11
TNS, Inc.	\$ 432	\$ 558	6%	\$ 0.72	\$ 17	100%	\$ 602	Dec 11
Total System Services, Inc.	\$ 3,730	\$ 1,809	5%	\$ 1.15	\$ 221	14%	\$ 1,858	Dec 11
Verifone Systems, Inc.	\$ 3,830	\$ 1,310	31%	\$ 3.06	\$ 282	186%	\$ 2,314	Oct 11
Wright Express Corporation	\$ 2,104	\$ 553	42%	\$ 3.45	\$ 134	52%	\$ 2,278	Dec 11
Wright Express Corporation Percent Rank	53%	18%	Highest	90%	54%	62%	66%	

This peer group reflects modifications in September 2010, to remove CyberSource Corporation (following its acquisition by Visa) and replace it with FleetCor Technologies, which went public in December 2010. We have relatively few industry competitors who are publicly traded and US-based, and have found that the majority of companies that provide similar service offerings are somewhat larger than we are with respect to annual revenues. Consequently, the majority of the companies in our peer group are also larger than we are with respect to annual revenues. We have recognized this disparity in size in benchmarking efforts by referencing 40th percentile peer group pay data, rather than the median (50th percentile).

The Committee worked with PM&P in the fall of 2011 to better align the peer group company roster with Wright Express' current size and business model. The new roster of companies that resulted was used for the establishment of fiscal year 2012 compensation.

While the peer group listed above and the other survey data referred to below was used to compare our executives' compensation to the market, the Committee believes that understanding compensation practices for these companies similar to us in size and industry is only one important element in determining the appropriate compensation level for each of our executives. As outlined more fully below, the compensation of any individual executive may vary from the specific market data based on factors such as the individual's performance, the scope of the duties performed by that individual, the importance of the position to the Company and internal equity.

**Annual Review of Executive Compensation**

Based on the above peer group and the other data discussed below, DC&P provided recommended ranges of compensation for base salary, total cash and total direct compensation for each executive for 2011. DC&P collected comparable position data on each executive from two sources:

Proxy data at the 40th percentile for the companies in our peer group (where a peer position matched)

Market survey data at the 25th, 50th and 75th percentile for companies of comparable revenue

This data was blended equally where comparable peer data was available to produce a target compensation range for that executive. We believe market survey data at the 50th percentile for companies of comparable revenues is the appropriate target in order to meet our objectives of attracting and retaining talent. However,

## Table of Contents

given the average revenue of our identified peer group, we believe the 40th percentile of the companies in our peer group is more appropriate than the 50th percentile in targeting compensation that will both attract and retain the members of our executive team. DC&P used the following surveys in establishing the 50th percentile market survey data for companies of our size for 2010 compensation:

Mercer US Americas Executive Remuneration Database (revenue range: \$200 million - \$500 million)

Watson Wyatt ECS Top Management Compensation Survey (revenue range \$200 million - \$500 million)

Data from companies in our revenue category who participated in these surveys was aggregated and incorporated into the target compensation ranges provided to the Committee by DC&P. The Committee did not receive data identified for any individual Company in these surveys. DC&P provided the Committee and the Company's human resources department with the current placement of each executive within the target range. Management used the DC&P data to provide the Committee with recommended base salary changes, annual cash incentive targets and long-term equity targets for each of the executive officers.

In determining 2011 compensation, the Committee also examined the following in addition to the competitive data:

Summary of performance for each of the executive officers

A tally sheet of each executive's actual compensation for the years 2008-2010, including cash, equity and all other compensatory benefits and perquisites

Company performance against strategic and operational goals for the previous fiscal year

Proposed performance goals for the annual and long-term incentive programs for the upcoming fiscal year

Summary of board feedback on Mr. Dubyak's leadership of the Company in achieving results against goals for the fiscal year  
Total compensation summaries, showing historic, current and proposed total direct compensation for each executive officer are reviewed by the Committee each year. These summaries provide the target value of all components of the executive officers' proposed compensation as well as the deferred compensation, benefits, perquisites and exit pay in the event of various termination scenarios, including a change of control. The purpose of this review is to assess whether the overall compensation package is consistent with the individual executive's contribution toward Company performance. Annual review of the total compensation summaries also provides the Committee with a view of the impact of historical changes to compensation over time and an opportunity to assess effectiveness in attracting and retaining our executives and driving high performance.

The Committee looks at the total impact of all year-over-year changes in executive compensation to decide whether changes are necessary and appropriate. In reviewing total cash and equity compensation, the Committee considers the retention value of the long-term equity currently held by the executive and the impact that retirement or voluntary termination would have on the executive. Based on this review, the Committee can decide to adjust one or more elements of an executive's total compensation. The Committee aims to provide competitive total direct compensation and assesses an executive's total compensation package when looking at the executive's competitive standing relative to the market.

**Table of Contents**

Compensation levels for 2011 were based on the Committee's review of executive total compensation in September 2010 and the STIP payout decision for 2011 STIP performance objectives and final payout factors used for executive officers other than Mr. Gumbley are shown below:

Company Goals	Weight	Threshold	Target Performance Goal	Maximum	Actual Result <sup>(1)</sup>	2011 Earned Payout Factor <sup>(2)</sup>
Adjusted Net Income <sup>(3)</sup>	50%	\$ 106,230,000	\$ 132,788,000	\$ 151,378,000	\$ 141,968,313	149%
PPG Adjusted Revenue <sup>(4)</sup>	20%	\$ 439,123,000	\$ 516,615,000	\$ 542,446,000	\$ 519,662,083	112%
New Revenue Sources <sup>(5)</sup>	15%	\$ 2,500,000	\$ 5,000,000	\$ 15,000,000	\$ 5,109,934	101%
Total International Adjusted Net Income <sup>(6)</sup>	15%	\$ 14,200,000	\$ 17,800,000	\$ 19,600,000	\$ 16,635,000	67%
Average STIP payout as a percentage of target based on 2011 performance						122%

(1) Result as determined under the 2011 Wright Express Corporation Short-Term Incentive Program.

(2) Payout factor represents payout level based on 25 percent payout for threshold performance, 100 percent payout for target performance and 200 percent payout for maximum performance including interpolation on a straight-line basis between these levels of performance based on the actual result.

(3) Adjusted net income, or ANI, is defined by the Company as net income adjusted for fair value changes of derivative instruments, the amortization of purchased intangibles, the net impact of tax rate changes on the Company's deferred tax asset and related changes in the tax-receivable agreement, non-cash asset impairment charges and the gains on the extinguishment of a portion of the tax receivable agreement.

(4) PPG adjusted revenue is revenue adjusted for changes in fuel prices. We use this adjustment in our incentive programs to ensure that payouts are not artificially increased or decreased by changes in the price of fuel. The 2011 revenue goals and revenue results were adjusted to a PPG of \$3.19 for the purposes of calculating STIP payout.

(5) New Revenue is any revenue not budgeted in 2011 from several identified strategic revenue sources.

(6) Total International Adjusted Net Income was adjusted to account for the impact of foreign currency and tax rate fluctuations as well as the impact of approved R&D and/or investments in international deals.

The weighting of Mr. Gumbley's STIP metrics took into account his critical role in our international expansion in 2011. While his STIP metrics also included the ANI, New Revenue Sources and Total International ANI goals assigned to the other executives, they were weighted 15%, 15% and 50%, respectively and Mr. Gumbley also had a Total International Revenue goal which accounted for 20% of his STIP weighting. 2011 results for the Total International Revenue goal were \$68,260,000 versus a \$69,800,000 target (threshold and maximum were \$59,300,000 and \$73,300,000, respectively). The payout factor for this goal was 92.7%, and Mr. Gumbley's total STIP payout was 98% of target.

We have generally used adjusted net income and PPG adjusted revenue as performance measures in our STIP. They represent key areas of focus for continued growth and stockholder return. The inclusion of New Revenue Sources, International ANI and International Revenue goals reflects our 2011 focus on diversifying our revenue streams and building out our international presence.



**Table of Contents****2011 Executive Compensation Overview**

**Base Salary.** Base salary is provided at a competitive level in order to attract and retain key talent and is reviewed annually. Annual adjustments to base salary are made based on a review of both the individual performance assessed by the CEO and reported to the Committee by management and the location of the executive officer's current base salary in the target range provided by DC&P. Each of the named executive officers except Mr. Gumbley received a base salary increase of 3.0% in 2011.

Ms. Smith received an additional increase \$29,500 in recognition of her promotion to President, North America, and Mr. Elder received an additional increase of \$54,000 in recognition of his promotion to CFO.

These increases positioned Ms. Smith and Mr. Maxsimic within 15% of the market composite identified by PM&P. Mr. Dubyak is also positioned within 15% of the market composite. The increase to Mr. Elder's base salary positions him more than 15% below the market composite for his role.

Mr. Gumbley's base salary was negotiated at the time of his initial employment and is within 15% of the market composite identified by PM&P.

**Annual Incentive Compensation.** The short-term annual incentive compensation program (STIP) is an annual bonus opportunity for associates at all levels of the organization who generally share the same key goals, other than those on commission and departmental incentive plans. The actual payouts of the STIP are contingent upon Committee-approved financial performance goals. For the executive officers, a performance-based bonus focuses management on our fiscal year financial results and strategic initiatives approved by the Committee at the beginning of each year.

At the target level of performance, named executive officer STIP payouts would be on average slightly below the median total cash compensation of the market composite identified by PM&P. At the maximum level of performance, which would represent performance that significantly exceeded target goals, STIP payouts would be at or above the 75th percentile of this market composite. If we fail to meet the threshold level goals as defined by the Committee, the executive officers receive no payout under the STIP. In 2011, the Company was required to achieve threshold results for adjusted net income in order for any portion of the STIP to be paid to any employees, including the executive officers.

Each year, management proposes performance level goals based on estimated achievability and current factors supporting or inhibiting achievement. The goals for 2011 were approved by the Committee in March 2011 and progress toward these goals was reported by the CEO to the Board of Directors throughout the year.

Named executives received 2011 STIP bonus targets and payment based on performance achievement outlined in the previous chart:

Named Executive Officer	Eligible Earnings <sup>(1)</sup>	Percentage of Eligible Earnings at Threshold	Percentage of Eligible Earnings at Target	Percentage of Eligible Earnings at Maximum	Actual Percentage of Eligible Earnings Paid	Actual Award
Michael E. Dubyak	\$ 562,924	25.0%	100.0%	200.0%	122.4%	\$ 689,132
Melissa D. Smith	\$ 391,305	17.5%	70.0%	140.0%	85.8%	\$ 335,325
David D. Maxsimic	\$ 333,234	18.75%	75.0%	150.0%	91.8%	\$ 305,958
Gareth J. Gumbley	\$ 321,000	18.0%	60.0%	120.0%	58.8%	\$ 188,748
Steven A. Elder	\$ 214,525	11.25%	45.0%	90.0%	55.1%	\$ 118,180

<sup>(1)</sup> STIP Eligible Earnings include total gross pay for the applicable plan year excluding salary or wages classified by the Company as disability pay, commission/incentive pay and bonuses.

## Table of Contents

In addition to the STIP payments detailed in this section, Mr. Gumbley also received sign on bonuses totaling 100,000 GBP (or \$160,500 assuming an exchange rate of 1 GBP : 1.605 USD) pursuant to his service agreement, made in two equal installments in June and December 2011.

**Long-Term Incentive Compensation.** The Company provides long-term equity-based incentives through the LTIP. Grants under the LTIP have generally been provided as a mix of PSUs, which vest from 0% to 200% based on the achievement of performance goals and RSUs, which vest based on the passage of time. The metric used to determine the vesting of PSUs has generally been the achievement of adjusted net income targets and/or revenue targets set by the Committee. PSUs and RSUs generally vest over a three or four year period of employment. Executive overall compensation is weighted more heavily toward equity than cash as compared to non-executive employees.

The 2011 LTIP was implemented pursuant to our 2010 Equity and Incentive Plan which allows us to grant employees and directors stock options, stock awards (including restricted stock units), stock appreciation rights, performance-contingent awards and other awards. Eligible participants include executive officers and other selected employees in the Company. Each of the executive officers received a grant in 2011 through the LTIP.

The Committee grants stock awards at the fair market value of the stock at the time of grant. In determining the size of equity grants to executive officers, the Committee considers the survey data described above. The Committee also reviews potential equity ownership as a percentage of shares outstanding for each executive versus comparable positions within the peer group. Management does not grant awards without Committee approval. With the exception of limited grants to newly hired associates, grants are generally awarded in the first quarter of each year.

**2011 LTIP.** In March 2011, executive LTIP award targets for the annual grant were set after consideration of the data provided by DC&P and PM&P. The 2011 LTIP was designed to support our long-term strategic plan and reward each of the NEOs for his or her contribution to the achievement of plan goals in 2011. NEO equity grants were 60% PSUs and 40% RSUs. The RSUs in the 2011 vest equally over three years on the anniversary of the grant date. The PSUs also vest, assuming performance criteria are met, equally over three years on the anniversary of the grant date.

Mr. Dubyak's 2011 equity grant value is larger than the other NEOs equity grant value due to the scope of his role as Chairman, President and CEO. In determining the appropriate level for each of the named executive officer grants other than Mr. Gumbley, the Committee reviewed a range of values provided by DC&P and PM&P with the midpoint of the range being a blend of peer data and market data. Mr. Gumbley's grant value was determined at the time he was hired based on data provided by DC&P.

In 2011, the Company was required to achieve threshold results for adjusted net income in order for any portion of the LTIP to be paid to any employees, including the executive officers. This threshold was \$106,230,000.

**Table of Contents**

The following table illustrates performance objectives and final payout rate, which are also sometimes referred to as the conversion levels of 2011 LTIP PSUs to shares of Company common stock for NEOs other than Mr. Gumbley:

Company Goals	Weight	Threshold	Target Performance Goal	Maximum	Actual Result <sup>(1)</sup>	2011 Earned Payout Factor <sup>(2)</sup>
Adjusted Net Income <sup>(3)</sup>	60%	\$ 106,230,400	\$ 132,788,000	\$ 151,378,000	\$ 141,968,000	149.4%
PPG Adjusted Revenue <sup>(4)</sup>	40%	\$ 439,123,000	\$ 516,615,000	\$ 542,446,000	\$ 519,662,000	112.3%
PSU Conversion based on 2011 performance						127.1%

(1) Result as determined under the 2011 Wright Express Corporation Long-Term Incentive Program.

(2) Payout factor represents payout level based on 25 percent payout for threshold performance, 100 percent payout for target performance and 200 percent payout for maximum performance including interpolation on a straight-line basis between these levels of performance based on the actual result.

(3) Adjusted net income, or ANI, is defined by the Company as net income adjusted for fair value changes of derivative instruments, the amortization of purchased intangibles, the net impact of tax rate changes on the Company's deferred tax asset and related changes in the tax-receivable agreement, non-cash asset impairment charges and the gains on the extinguishment of a portion of the tax receivable agreement.

(4) PPG adjusted revenue is revenue adjusted for changes in fuel prices. We use this adjustment in our incentive programs to ensure that payouts are not artificially increased or decreased by changes in the price of fuel. The 2011 revenue goals and revenue results were adjusted to a PPG of \$3.19 for the purposes of calculating 2011 LTIP PSU conversion levels.

The weighting of Mr. Gumbley's 2011 LTIP PSU metrics took into account his critical role in our international expansion in 2011, as illustrated below.

Company Goals	Weight	Threshold	Target Performance Goal	Maximum	Actual Result <sup>(1)</sup>	2011 Earned Payout Factor <sup>(2)</sup>
2011 International Revenue	30%	\$ 59,300,000	\$ 69,800,000	\$ 73,300,000	\$ 68,260,000	26.70%
2011 International ANI	70%	\$ 14,200,000	\$ 17,800,000	\$ 19,600,000	\$ 16,700,000	53.01%
PSU Conversion based on 2011 performance						79.71%

(1) Result as determined under the 2011 Wright Express Corporation Long-Term Incentive Program.

(2) Payout factor represents payout level based on 25 percent payout for threshold performance, 100 percent payout for target performance and 200 percent payout for maximum performance including interpolation on a straight-line basis between these levels of performance based on the actual result.

In addition to the 2011 LTIP, we made additional RSU awards to Ms. Smith in connection with her promotion and to Mr. Maxisimic in consideration of his entry into an Executive Retention Agreement that provides enhanced non-competition and non-solicitation obligations for up to two years following the termination of his employment for any reason. Ms. Smith's 3,687 promotional grant RSUs will vest equally over three years on the anniversary of the May 2011 grant date, while Mr. Maxisimic's 1,843 additional RSUs will vest on the first anniversary of the



## Edgar Filing: Wright Express CORP - Form DEF 14A

May 2011 grant date.

Given the goals of the 2011 LTIP, if the maximum level of PSUs had become vested as a result of the performance of the Company, the Committee believes the total compensation provided to the NEOs would reflect an appropriate pay-for-performance alignment.

**Table of Contents**

***Tax Deductibility of Compensation.*** Section 162(m) of the Internal Revenue Code generally places a limit of \$1 million on the amount of compensation that Wright Express may deduct in any one year with respect to its CEO and the other three officers (other than the Chief Financial Officer) whose compensation is required to be reported to our stockholders pursuant to the Exchange Act by reason of being among the most highly paid executive officers, other than our CFO. Wright Express receives no federal income tax deduction for any compensation that is (a) over \$1 million and (b) is not performance-based as defined under Section 162(m). The STIP as well as the PSU component of our LTIP are generally intended to provide fully tax-deductible compensation. The time-based RSU component of our LTIP and discretionary cash bonuses are not considered performance-based under Section 162(m). The Committee has the authority to adjust payments under the STIP and LTIP up or down at its discretion with the exception of any adjustments which may increase or accelerate payment to any participant who is impacted by Section 162(m). The Committee may approve compensation that is not considered performance-based under Section 162(m) when it believes that such compensation is appropriate and consistent with our goal of building long-term stockholder value. In 2011, Mr. Dubyak received \$736,575 in non-deductible compensation over the \$1 million limit imposed by Section 162(m) of the Internal Revenue Code. No other named executive officers received non-deductible compensation over the 162(m) limit of \$1 million.

***Executive Officer Equity Ownership Guidelines.*** We believe executive ownership of Company securities demonstrates a commitment to continued success and aligns the efforts of our executives with stockholders. The Committee established equity ownership guidelines for all executive officers in October 2005. Equity, for the purposes of executive officer ownership guidelines, includes shares of our common stock and ownership interests in the Wright Express Common Stock Fund held in the Company's 401(k) Plan. It does not include any RSUs or PSUs prior to their vesting and conversion to shares of stock.

These equity ownership guidelines require Mr. Dubyak to hold securities equal in value to at least 4 times his annual base salary, Executive Vice Presidents to hold 2.5 times their annual base salaries and all other executive officers to hold 1.5 times their annual base salaries. Beyond these ownership guidelines, the Company does not have a policy specifying a minimum period of time an executive must hold some or all of the Company shares obtained upon exercise of options or vesting of stock units. The policy requires existing officers to achieve their required ownership level within four years and newly appointed officers must now achieve their required ownership within three years of appointment.

The annual measurement date under the guidelines is July 31 of each year. For 2011, Messrs. Elder and Gumbley did not yet hold securities with value equal to the guidelines, but both were still within the first year of the three year window of appointment. The Committee will continue to monitor compliance with the policy.

***Employment Agreements.*** The Company provides employment agreements which include severance and change of control benefits to attract and retain key executive officers. In the event, or threat, of a change of control transaction, these agreements reduce uncertainty and provide compensation for the significant levels of executive engagement and support required during an ownership transition that results in the termination of their employment. In addition, our employment agreements contain non-compete, non-solicitation, non-disparagement and non-disclosure provisions which protect the Company in the event that an executive terminates his or her employment. These employment agreements represent competitive severance and change of control benefits based on analysis conducted and reviewed by the Committee annually to assess whether the total value to an executive provided by the agreement remains at the level needed to attract and retain executives without being considered excessive in the opinion of the Committee. The specific material provisions of these contracts are discussed in the Employment Agreements, Severance and Change of Control Benefits section of this proxy.

***Benefits and Perquisites.*** We provide competitive benefits to attract and retain high performing associates at all levels. This includes a health and welfare benefits package and a 401(k) plan.

**Table of Contents**

***Nonqualified Deferred Compensation.*** The Company administers an Executive Deferred Compensation Plan, or EDCP, that provides each of the executive officers with the opportunity to defer up to 80 percent of base salary and/or up to 98 percent of annual incentive compensation. The Company provides a match of up to 6 percent of the participant's annual incentive compensation deferred into the EDCP. Investment income on contributions and Company match is accrued for participants to reflect performance of investment funds identified by each participant during their annual election period. The investment funds and their performance used to calculate earnings in the EDCP generally mirror those used in the 401(k) Plan.

Each of the named executives serving in his or her role at the time of election who was eligible to participate (all executives other than Mr. Gumbley) chose to defer a portion of his or her 2011 bonus into the EDCP in 2012. No named executive deferred a portion of his or her base salary into the EDCP in 2011.

Prior to our initial public offering, we offered the Wright Express Corporation Supplemental Investment and Savings Plan, or SERP, which allowed participants to defer compensation. The SERP was frozen to new contributions on December 31, 2004. Mr. Dubyak and Ms. Smith have balances in this plan, which continue to earn investment returns based on the funds they selected. These investment returns are market competitive for the type of funds offered; there is no preferential interest earned in either the EDCP or SERP accounts. No other executive officers participated in the SERP when it was an active plan.

***Other Benefits.*** The Company historically provided personal financial advisory services, a Company-sponsored automobile and limited use of the corporate country club membership to the named executive officers. The named executives were responsible for the taxes on the value of these benefits. In December 2010, the Company eliminated the personal financial advisory benefit and the limited use of the country club membership to each named executive officer effective January 1, 2011. Executive base salaries were increased by the value of this benefit on January 1, 2011. In December 2011, executives surrendered the Company sponsored automobiles, at which time their base salaries were increased by the value of this benefit as follows: Ms. Smith's base salary was increased by \$16,212, and Mr. Maxsimic's base salary was increased by \$13,068. Mr. Dubyak's base salary was increased by \$15,469. Mr. Elder and Mr. Gumbley were not recipients of this benefit prior to termination of the benefit to executives.

***Additional Benefits Provided to Mr. Gumbley.*** Pursuant to his Service Agreement, the Company pays Mr. Gumbley a sum equal to 10% of his annual salary in equal monthly installments to be paid into a Self Invested Pension Plan. The Company also reimburses Mr. Gumbley for the cost of obtaining private medical health care up to a maximum of amount of 5,000 GBP, subject to statutory deductions.

***Travel.*** Directors and executive officers, when traveling on Wright Express business, are reimbursed for their travel costs. No personal travel for directors or executive officers was reimbursed in 2011.

The aggregate value of all perquisites received by each of the executive officers in 2011 is detailed in the footnotes to the Summary Compensation Table.

**Table of Contents**

**COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION**

The compensation committee is comprised entirely of independent directors as determined by the Board of Directors in accordance with its independence guidelines and the listing standards of the New York Stock Exchange.

The compensation committee is responsible for review and oversight of executive compensation. This includes approval of corporate goals and objectives used in the compensation programs for executives as well as setting executive compensation and approving annual incentive plan payouts and long-term incentive stock grants. In connection with that responsibility, the compensation committee reports to the Board on the Company's activities at each meeting of the Board. The compensation committee charter, which describes in detail the purpose, structure, membership, authority, responsibilities, procedures and administration of the compensation committee is available on the Company's website.

The compensation committee reviewed and discussed the Compensation Discussion and Analysis with members of senior management and, based on this review and discussion, the committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Company's annual report on Form 10-K and proxy statement on Schedule 14A.

THE COMPENSATION COMMITTEE

Kirk P. Pond, Chair

Shikhar Ghosh

Regina O. Sommer

**Table of Contents****SUMMARY COMPENSATION TABLE**

Name and Principal Position	Year	Salary (\$) <sup>(1)</sup>	Bonus (\$) <sup>(2)</sup>	Stock Awards (\$) <sup>(3)</sup>	Option Awards (\$) <sup>(4)</sup>	Non-Equity Incentive Plan Compensation (\$) <sup>(5)</sup>	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) <sup>(6)</sup>	All Other Compensation (\$) <sup>(7)</sup>	Total (\$)
Michael E. Dubyak <i>Chairman, President and Chief Executive Officer</i>	2011	\$ 560,529		\$ 1,336,660		\$ 689,132	\$ 13,462	\$ 68,672	\$ 2,668,456
	2010	\$ 526,457		\$ 939,375	\$ 1,867,346	\$ 777,261	\$ 25,232	\$ 103,983	\$ 4,239,654
	2009	\$ 515,000	\$ 25,880	\$ 499,990	\$ 718,897	\$ 1,000,000	\$ 34,412	\$ 107,167	\$ 2,901,346
Steven A. Elder <sup>(8)</sup> <i>Senior Vice President and Chief Financial Officer</i>	2011	\$ 214,294		\$ 164,512		\$ 118,180		\$ 11,126	\$ 508,112
	2010								
	2009								
Melissa D. Smith <sup>(9)</sup> <i>President, The Americas</i>	2011	\$ 390,901		\$ 585,558		\$ 335,325	\$ 603	\$ 44,691	\$ 1,357,078
	2010	\$ 345,385		\$ 486,596		\$ 305,956	\$ 8,353	\$ 58,947	\$ 1,205,237
	2009	\$ 320,000		\$ 176,990	\$ 258,598	\$ 382,464	\$ 9,962	\$ 67,904	\$ 1,215,918
David D. Maxsimic <i>Executive Vice President, Sales and Marketing</i>	2011	\$ 332,877		\$ 439,270		\$ 305,958		\$ 45,428	\$ 1,123,533
	2010	\$ 307,615		\$ 328,781		\$ 340,623		\$ 54,397	\$ 1,031,416
	2009	\$ 300,000		\$ 164,995	\$ 235,097	\$ 378,680		\$ 64,170	\$ 1,142,942
Gareth J. Gumbley <sup>(10)(11)</sup> <i>Executive Vice President, International</i>	2011	\$ 321,000	\$ 160,500	\$ 323,329		\$ 188,748		\$ 40,125	\$ 1,033,702
	2010								
	2009								

- (1) Includes amounts that may be contributed by each named executive officer on a pre-tax basis to the company's 401(k) plan and Executive Deferred Compensation Plan.
- (2) In March 2010, at the time the compensation committee approved Mr. Dubyak's Short-Term Incentive Program payout of \$1,000,000 (the maximum amount payable under that program), the compensation committee also approved a discretionary bonus with respect to 2009 performance to Mr. Dubyak in the amount of \$25,880. Pursuant to his Service Agreement, Mr. Gumbley received a sign on bonus of 100,000 GBP converted to USD based on a 1-year average exchange rate of 1 GBP : 1.605 USD.
- (3) The amounts shown in this column represent the aggregate grant date fair value of stock awards made during 2011, 2010, and 2009, respectively, calculated in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in the Company's audited financial statements for the fiscal years ended December 31, 2011, 2010, and 2009, included in the Company's Annual reports on Form 10-K filed with the Securities and Exchange Commission on February 28, 2012, February 28, 2011, and February 26, 2010, respectively. For PSUs granted on March 10, 2011 and March 3, 2010, these amounts reflect the grant date fair value of such awards based upon the probable outcome at the time of grant. The value of the 2011 awards at the grant date assuming that the highest level of performance conditions was achieved was \$1,603,992, \$197,414, \$462,690, \$407,167 and \$388,035 for Mr. Dubyak, Mr. Elder, Ms. Smith, Mr. Maxsimic and Mr. Gumbley, respectively. The value of the 2010 awards at the grant date assuming that the highest level of performance conditions was achieved was \$3,757,500, \$834,165 and \$563,625 for Mr. Dubyak, Ms. Smith and Mr. Maxsimic, respectively.
- (4) The amounts shown in this column represent the aggregate grant date fair value of option awards made during 2010 and 2009, calculated in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in Note 19 to the Company's

## Edgar Filing: Wright Express CORP - Form DEF 14A

audited financial statements for the fiscal year ended December 31, 2010, included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2011. The amounts reflected in this column do not represent the actual amounts paid to or realized by the named executive officers for these awards during fiscal year 2010 and 2009, respectively.

**Table of Contents**

- (5) The amounts shown reflect the cash incentive awarded in March 2012 for 2011 Short-Term Incentive program results, March 2011 for 2010 Short-Term Incentive program results, and March 2010 for 2009 Short-Term Incentive Program results and include amounts contributed by each NEO on a pre-tax basis to the Company's Executive Deferred Compensation Plan.
- (6) The amounts shown reflect Supplemental Executive Retirement Account earnings.
- (7) The following table describes the elements that are represented in the All Other Compensation column for 2011:

**ALL OTHER COMPENSATION**

<b>Name</b>	<b>Company Vehicle (\$)<sup>(a)</sup></b>	<b>401(k) or Other Retirement Plan Employer Match (\$)</b>	<b>EDCP Employer Match (\$)</b>	<b>Supplemental Health Reimbursement (\$)</b>	<b>Total (\$)</b>
Michael E. Dubyak	\$ 7,873	\$ 14,163	\$ 46,636		\$ 68,672
Steven A. Elder		\$ 11,126			\$ 11,126
Melissa D. Smith	\$ 12,161	\$ 14,173	\$ 18,357		\$ 44,691
David D. Maxsimic	\$ 10,784	\$ 14,206	\$ 20,438		\$ 45,428
Gareth J. Gumbley		\$ 32,100 <sup>(b)</sup>		\$ 8,025 <sup>(c)</sup>	\$ 40,125

- (a) Reflects the value of the annual lease and maintenance costs that were paid on behalf of the executive by the Company. This perquisite was eliminated effective December 31, 2011.
- (b) Reflects company pension contribution of 20,000 GBP pursuant to Mr. Gumbley's Service Agreement. The amount was converted to USD based on a 1-year average exchange rate of 1 GBP : 1.605 USD.
- (c) Reflects a reimbursement amount of 5,000 GBP for Mr. Gumbley's supplemental health care insurance. The amount was converted to USD based on a 1-year average exchange rate of 1 GBP : 1.605 USD.
- (8) Mr. Elder was promoted to Senior Vice President and Chief Financial Officer on April 6, 2011. Formerly, Mr. Elder was Vice President, Finance and Investor Relations. Mr. Elder was not a named executive officer in 2010 and 2009, and therefore no information is presented for these years.
- (9) Ms. Smith was promoted to President, The Americas on April 6, 2011. Formerly, Ms. Smith was Chief Financial Officer and Executive Vice President, Finance and Operations.
- (10) Mr. Gumbley was not a named executive officer during 2010 and 2009, and therefore no information is presented for these years.
- (11) Mr. Gumbley's cash compensation is paid in Great British Pounds. For purposes of this table, compensation was converted to USD based on a 1-year average exchange rate of 1 GBP : 1.605 USD.





**Table of Contents****GRANTS OF PLAN-BASED AWARDS**

The following table represents all plan-based awards granted to the named executive officers in 2011:

Name	Type of Award <sup>(1)</sup>	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units <sup>(2) (3) (4) (5)</sup>	All Other Awards: or Number of Securities of Underlying Options <sup>(3) (4) (5)</sup>	Exercise Price (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)
			Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Michael E. Dubyak	STIP		\$ 140,731	\$ 562,924	\$ 1,125,848							
	RSU	3/10/2011							10,400			\$ 534,664
Steven A. Elder	PSU	3/10/2011				3,900	15,600	31,200				\$ 801,996
	STIP		\$ 24,134	\$ 96,536	\$ 193,072							
	RSU	3/10/2011							1,280			\$ 65,805
Melissa D. Smith	PSU	3/10/2011				480	1,920	3,840				\$ 98,707
	STIP		\$ 68,478	\$ 273,914	\$ 547,826							
	RSU	3/10/2011							3,000			\$ 154,230
	RSU	5/19/2011							3,687			\$ 199,983
David D. Maxsimic	PSU	3/10/2011				1,125	4,500	9,000				\$ 231,345
	STIP		\$ 62,481	\$ 249,926	\$ 499,850							
	RSU	3/10/2011							2,640			\$ 135,722
	RSU	5/19/2011							1,843			\$ 99,964
Gareth J. Gumbley	PSU	3/10/2011				990	3,960	7,920				\$ 203,584
	STIP		\$ 48,150	\$ 192,600	\$ 385,200							
	RSU	2/22/2011							2,538			\$ 129,311
	PSU	2/22/2011				314	1,256	2,512				\$ 63,993

- (1) Type of Award: STIP = Short Term Incentive Program (cash); RSU = Restricted Stock Unit; PSU = Performance-Based Restricted Stock Unit. All awards are granted under our 2010 Equity Incentive Plan.
- (2) Restricted stock units or RSUs granted on March 10, 2011 vest over 3 years at a rate of one third of the total award per year beginning on the first anniversary of the grant date. The number of RSUs received by each named executive officer was determined by dividing the total award amount granted by the fair market value of our common stock on the date of grant.
- (3) Restricted stock units or RSUs granted on May 19, 2011 to Ms. Smith vest over 3 years at a rate of one third of the total award per year beginning on the first anniversary of the grant date.
- (4) Restricted stock units or RSUs granted on May 19, 2011 to Mr. Maxsimic vest 100% on the first anniversary of the grant date.
- (5) Restricted stock units or RSUs granted on February 22, 2011 to Mr. Gumbley vest over 3 years at a rate of one third of the total award per year beginning on the first anniversary of the grant date. The number of RSUs received was determined by dividing the total award amount granted by the fair market value of our common stock on the date of grant.



**Table of Contents****OPTION EXERCISES AND STOCK VESTED**

The following table represents stock options exercised and stock vested in 2011 by each of the named executive officers.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized Upon Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Michael E. Dubyak	49,008	\$ 1,897,855	22,791	\$ 1,176,419
Steven A. Elder	2,227	\$ 87,179	3,423	\$ 170,015
Melissa D. Smith	23,500	\$ 923,365	10,422	\$ 536,475
David D. Maxsimic	15,979	\$ 606,931	9,505	\$ 489,380
Gareth J. Gumbley				

**OUTSTANDING EQUITY AWARDS**

The following table represents stock options and unvested stock units held by each of the named executive officers as of December 31, 2011.

Name	Option Awards					Stock Awards			
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#) <sup>(2)</sup>	Market Value of Shares or Units of Stock That Have Not Vested (\$) <sup>(3)</sup>	Equity Incentive Plan Awards Number of Unearned Shares, Units or Other Rights That Have Not Vested (\$) <sup>(4)</sup>	Equity Incentive Plan Awards Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$) <sup>(3)</sup>
Michael E. Dubyak	43,706	29,196		\$ 13.60	3/5/2017	22,680	\$ 1,231,070		
Steven A. Elder	2,445	2,453		\$ 13.60	3/5/2017	3,766	\$ 204,418	4,380	\$ 237,746
Melissa D. Smith	11,944	10,336		\$ 13.60	3/5/2017	17,204	\$ 933,833	18,375	\$ 997,395
David D. Maxsimic	4,248	9,635		\$ 13.51	2/13/2017	12,705	\$ 689,627	13,335	723,824
Gareth J. Gumbley									

<sup>(1)</sup> Non-Qualified Stock Options expiring on February 13, 2017 vest over two years at a rate of one half of the total award per year beginning on the first anniversary of the grant date. Non-Qualified Stock Options expiring on March 5, 2017 and March 3, 2018 vest over three years at a rate of one third of the total award per year beginning on the first anniversary of the grant date.

<sup>(2)</sup> The following table shows the RSUs, by grant date, which have not yet vested as of December 31, 2011:

Edgar Filing: Wright Express CORP - Form DEF 14A

Name	March 30, 2008 (#)	March 5, 2009 (#)	March 3, 2010 (#)	February 22, 2011 (#)	March 10, 2011 (#)	May 19, 2011 (#)	Total (#)
Michael E. Dubyak		12,280			10,400		22,680
Steven A. Elder	360	1,032	1,094		1,280		3,766
Melissa D. Smith		4,347	6,170		3,000	3,687	17,204
David D. Maximic		4,053	4,169		2,640	1,843	12,705
Gareth J. Gumbley				2,538			2,538

**Table of Contents**

<b>Grant Date</b>	<b>Stock Award Vesting Schedule</b>
March 31, 2008	Vests at a rate of one quarter of the total award per year beginning on the first anniversary of the grant date
March 5, 2009	Vests at a rate of one third of the total award per year beginning on the first anniversary of the grant date
March 3, 2010	Vests at a rate of one third of the total award per year beginning on the first anniversary of the grant date
February 22, 2011	Vests at a rate of one third of the total award per year beginning on the first anniversary of the grant date
March 10, 2011	Vests at a rate of one third of the total award per year beginning on the first anniversary of the grant date
May 19, 2011 (Smith)	Vests at a rate of one third of the total award per year beginning on the first anniversary of the grant date
May 19, 2011 (Maxsimic)	Vests at a rate of 100% of the total award on the first anniversary of the grant date

(3) Reflects the value as calculated based on the closing price of the Company's common stock (\$54.28) on December 30, 2011.

(4) These amounts represent the number of PSUs granted assuming target performance conditions are met. The PSUs granted on March 3, 2010, may convert to RSUs based on the achievement of predetermined performance goals for the Company's annual revenue and adjusted net income for 2012. The PSUs granted on February 22, 2011 to Mr. Gumbley, may convert to RSUs based on the achievement of predetermined performance goals for the Company's international revenue and international adjusted net income for 2011 (estimated to have been achieved at 79.7% of target). Performance goals for the 2012 and 2013 performance periods are not yet determined. The PSUs granted on March 10, 2011, may convert to RSUs based on the achievement of predetermined performance goals for the Company's PPG adjusted revenue and adjusted net income for 2011 (estimated to have been achieved at 127% of target). The following table shows the PSUs, by grant date, where achievement of the performance conditions have not yet been determined as of December, 31, 2011:

The predetermined performance goals for the Company's annual revenue and adjusted net income for 2012 and the return on invested capital metric as defined in the plan. The following table shows the PSUs, by grant date, where achievement of the performance conditions have not yet been determined as of December, 31, 2011:

<b>Name</b>	<b>March 3, 2010 (#)</b>	<b>February 22, 2011 (#)</b>	<b>March 10, 2011 (#)</b>	<b>Total (#)</b>
Michael E. Dubyak	62,500		15,600	78,100
Steven A. Elder	2,460		1,920	4,380
Melissa D. Smith	13,875		4,500	18,375
David D. Maxsimic	9,375		3,960	13,335
Gareth J. Gumbley		1,256		3,808

**Table of Contents****NONQUALIFIED DEFERRED COMPENSATION**

The following table represents the amounts deferred by each of the named executive officers in the Wright Express Corporation Executive Deferred Compensation Plan, or EDCP, and the Wright Express Corporation Supplemental Investment & Savings Plan, or SERP. The EDCP and SERP, which was frozen to new contributions on December 31, 2004, are described in the Non-qualified Deferred Compensation section of the Compensation Discussion and Analysis.

Name	Plan	Executive Contributions in Last FY (\$)	Registrant Contributions in Last FY (\$) <sup>(1)</sup>	Aggregate Earnings in Last FY (\$) <sup>(2)</sup>	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance at Last FYE (\$) <sup>(3)</sup>
Michael E. Dubyak	SERP			13,462 <sup>(4)</sup>		344,360 <sup>(4)</sup>
	EDCP	172,283	41,348	(9,237)	(27,921)	922,324
Melissa D. Smith	SERP			603 <sup>(4)</sup>		59,085 <sup>(4)</sup>
	EDCP	20,119	20,119	(5,252)		185,445
Steven A. Elder	EDCP	11,818	7,091	0		18,909
David D. Maxsimic	EDCP	61,192	18,358	(7,703)		370,864
Gareth J. Gumbley	EDCP					

<sup>(1)</sup> Participant contributions to the Wright Express Corporation EDCP are matched on annual incentive compensation payments only. Wright Express matches the executives' incentive compensation deferral up to a maximum of 6% of their total incentive compensation award.

<sup>(2)</sup> The company does not pay above-market interest rates on non-qualified deferred compensation.

<sup>(3)</sup> Portions of the amounts shown in this column have been previously reported in the Salary, Non-Equity Incentive Plan Compensation and All Other Compensation columns of the Summary Compensation Table in previous years, as follows:

Name	Salary	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
Michael E. Dubyak		597,048	204,862	801,910
Melissa D. Smith		79,708	79,708	159,416
David D. Maxsimic	37,363	166,903	76,381	280,646
Steven Elder		11,818	7,091	18,909
Gareth Gumbley				

<sup>(4)</sup> Includes the earnings and balance on December 31, 2011, of the SERP which is explained in the Nonqualified Deferred Compensation section of the Compensation Discussion and Analysis.

**Table of Contents**

During the year ended December 31, 2011, participants were given the opportunity to select among various funds in the SERP and EDCP. The table below shows the funds available to participants and their annual rate of return for the year ended December 31, 2011. The investment alternatives in the EDCP are the same as those available under our 401(k) plan with the exception of the BlackRock S&P 500 Index Fund. The comparable fund used in the 401(k), Merrill Lynch Equity Index Trust Tier 13, is a collective trust and cannot be used in a non-qualified plan such as the EDCP.

	<b>Rate of Return</b>
<b>SERP</b>	
Principal Global Investors Bond & Mortgage Securities	6.63%
Principal Global Investors Government & High Quality Bond	5.78%
Principal Global Investors Balanced	3.62%
Principal Global Investors LargeCap Growth	(4.63)%
Principal Global Investors LargeCap Value	0.75%
Principal Global Investors MidCap Blend	7.84%
Principal Global Investors Diversified International	(10.58)%
<b>EDCP</b>	
The Oakmark Equity & Income Fund	0.64%
Davis New York Venture Fund Incorporated (Y)	(4.55)%
DWS RREEF Real Estate Securities Fund (A)	8.99%
American EuroPacific Growth Fund (R-4)	(13.61)%
Goldman Sachs Large Cap Value Fund	(7.45)%
Perkins MidCap Value Fund	(2.71)%
Prudential Jennison Small Comp	(1.97)%
ML Retirement Reserves	0.00%
Oppenheimer Developing Markets Fund (A)	(18.10)%
Victory Small Business Opportunity Fund (A)	1.16%
PIMCO Total Return Fund (A)	3.90%
Principal High Yield Fund	3.66%
Goldman Sachs Growth Opportunities Fund	(3.70)%
MainStay Large Cap Growth Fund	(0.19)%
Merrill Lynch Equity Index Trust XIII	2.04%
Wells Fargo Stable Return Fund (C)	2.14%
Oppenheimer Global Allocation Fund Class (A)	(7.77)%
Wright Express Corporation Common Stock Fund	18.00%

**Table of Contents****EMPLOYMENT AGREEMENTS, SEVERANCE AND CHANGE OF CONTROL BENEFITS**

The Company provides employment agreements which include severance and change of control benefits to attract and retain key executive officers. In the event, or threat, of a change of control transaction, these agreements reduce uncertainty and provide compensation for the significant levels of executive engagement and support required during an ownership transition that results in the termination of their employment. These employment agreements represent competitive severance and change of control benefits based on analysis conducted by DC&P and reviewed by the Compensation Committee.

The Compensation Committee reviews these agreements annually to assess whether the total value to an executive provided by the agreement remains at the level needed to attract and retain executives without being considered excessive in the opinion of the Compensation Committee.

The agreements contained the following provisions as of December 31, 2011:

	Mr. Dubyak	Ms. Smith	Mr. Maxsimic	Mr. Elder	Mr. Gumbley
	<b>Basic Severance Benefit</b>				
Severance Payment	2x (base salary plus target bonus)	1x (base salary plus target bonus)		None	0.5x (base salary)
Accelerated Vesting of Equity	2 years	1 year	Per Retention Agreement		None
Health Benefit Continuation	1 year	1 year	None		None
	<b>Change of Control (COC) Severance Benefit</b>				
	<i>Double Trigger: requires COC and loss of comparable position)</i>				
Severance Payment	3x (base salary plus target bonus)	2x (base salary plus target bonus)			0.5x (base salary)
Accelerated Vesting of Equity			100 percent		
	<b>Other Agreement Provisions</b>				
280G Gross Up Non-Compete	Yes			None	
Non-Solicitation	2 years for without cause COC termination; 1 year otherwise			None	6 months
Non-Disparagement				None	9 months
Non-Disclosure			Indefinitely		Indefinitely

- (1) On April 6, 2011, Mr. Maxsimic signed an Executive Retention Agreement with the Company pursuant to which Mr. Maxsimic agreed to an enhanced non-competition and non-solicitation obligations for up to two years following the termination of his employment for any reason (the Restricted Period). In consideration for these provisions, the Agreement provides that (1) certain stock option, restricted stock unit and performance-based restricted stock unit awards granted to Mr. Maxsimic in 2009, 2010 and 2011 (the Outstanding Awards) will continue to vest in the event that his employment is terminated without cause or upon constructive discharge and (2) the Company will grant to him a restricted stock unit award with respect to a number of shares of Company Common Stock equal to \$100,000 divided by the closing price of the Common Stock on the New York Stock Exchange on the date of grant (the New 2011 RSU Award). Fifty percent (after satisfaction of tax withholding obligations) of the number of shares of Common Stock that otherwise would be delivered to Mr. Maxsimic with respect to any shares delivered pursuant to the continued vesting of the Outstanding Awards (other than stock options) will be deposited in escrow with the Company through and until the end of the Restricted Period. In the event that Mr. Maxsimic violates the Agreement's non-competition and non-solicitation provisions, the escrowed shares will be forfeited back to the Company for no consideration. The Agreement modifies and supersedes the non-competition and non-solicitation provisions contained in the Employment Agreement, effective as of October 28, 2005, by and between the Company and Mr. Maxsimic except that the restricted period in the agreement reverted back to the restricted period in the employment agreement on March 10, 2012 grant.



**Table of Contents**

- (2) Change of control means, in summary: (i) an acquisition of 50 percent or more of either the then-outstanding shares of common stock or the combined voting power of the then-outstanding voting securities excluding certain specified acquisitions; (ii) a change in the composition of the Board such that the individuals who constitute the Board at that point in time cease to constitute a majority of the Board; (iii) consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of shares or assets of another Company excluding certain specified transactions; or (iv) the approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.
- (3) In the event any payment or distribution to Mr. Dubyak under his employment agreement is determined to be subject to additional taxes under Section 280G of the Internal Revenue Code, he is entitled to receive a payment on an after-tax basis equal to the excise taxes imposed, and any penalties and interest. The decision to provide Mr. Dubyak with a 280G gross up was made at the time his agreement was executed in October 2005, after reviewing the standard provisions of agreements for executives at his level. The terms of these agreements continue from their original execution dates; no affirmative action was taken to renew the terms of the agreements.
- (4) Each of the employment agreements signed by the executive officers contains a provision which restricts the executive from performing any acts which advance the interests of any existing or prospective competitors of Wright Express during the period specified in the agreement.
- (5) Each of the employment agreements signed by the executive officers contains a provision which restricts the executive from soliciting customers or employees to terminate their relationship with the Company.
- (6) Each of the employment agreements signed by the executive officers contains a provision which restricts them from making any statements or performing any acts intended or reasonably calculated to advance the interest of any existing or prospective competitor or in any way to injure the interests of or disparage the Company.
- (7) Each of the employment agreements signed by the executive officers contains a provision which restricts the executive from disclosing confidential information as defined in the agreement.

**Table of Contents****POTENTIAL PAYMENTS UPON TERMINATION OF EMPLOYMENT**

The following chart shows the payments to each Named Executive Officer which would be made as a result of possible termination scenarios assuming each had occurred on December 30, 2011:

Named Executive Officer	Voluntary Termination or Involuntary Termination For Cause (\$)	Involuntary Termination Without Cause (\$)	Change in Control With Termination (\$)	Disability (\$)	Death (\$)
<b>Michael E. Dubyak</b>					
Acceleration of Equity Awards <sup>(1)</sup>		\$ 8,307,523	\$ 8,778,347		\$ 8,778,347
Salary and Benefits Continuation		\$ 1,160,854	\$ 1,757,968		
Short Term Incentive Program		\$ 1,149,729	\$ 1,724,594	\$ 574,865	\$ 574,865
Non-Qualified Plan <sup>(2)</sup>	\$ 1,053,053	\$ 1,053,053	\$ 1,053,053	\$ 1,053,053	\$ 1,053,053
280G Gross-up					
<b>Total</b>	<b>\$ 1,053,053</b>	<b>\$ 11,671,159</b>	<b>\$ 13,313,962</b>	<b>\$ 1,627,918</b>	<b>\$ 10,406,265</b>
<b>Steven A. Elder<sup>(3)</sup></b>					
Acceleration of Equity Awards <sup>(1)</sup>					\$ 541,953
Salary and Benefits Continuation		\$ 115,000	\$ 115,000		
Short Term Incentive Program					
Non-Qualified Plan <sup>(2)</sup>					
<b>Total</b>		<b>\$ 115,000</b>	<b>\$ 115,000</b>		<b>\$ 541,953</b>
<b>Melissa D. Smith</b>					
Acceleration of Equity Awards <sup>(1)</sup>		\$ 1,025,853	\$ 2,351,697		\$ 2,351,697
Salary and Benefits Continuation		\$ 423,141	\$ 846,282		
Short Term Incentive Program		\$ 291,348	\$ 582,697	\$ 291,348	\$ 291,348
Non-Qualified Plan <sup>(2)</sup>	\$ 204,292	\$ 204,292	\$ 204,292	\$ 204,292	\$ 204,292
<b>Total</b>	<b>\$ 204,292</b>	<b>\$ 1,944,634</b>	<b>\$ 3,984,968</b>	<b>\$ 495,640</b>	<b>\$ 2,847,337</b>
<b>David D. Maxsimic<sup>(4)</sup></b>					
Acceleration of Equity Awards <sup>(1)</sup>		\$ 844,213	\$ 1,805,403		\$ 1,805,403
Salary and Benefits Continuation		\$ 347,338	\$ 729,140		
Short Term Incentive Program		\$ 260,504	\$ 521,007	\$ 260,504	\$ 260,504
Non-Qualified Plan <sup>(2)</sup>	\$ 291,315	\$ 291,315	\$ 291,315	\$ 291,315	\$ 291,315
<b>Total</b>	<b>\$ 291,315</b>	<b>\$ 1,743,370</b>	<b>\$ 3,346,865</b>	<b>\$ 551,819</b>	<b>\$ 2,357,222</b>
<b>Gareth Gumbley<sup>(5)</sup></b>					
Acceleration of Equity Awards <sup>(1)</sup>					\$ 344,461
Salary and Benefits Continuation		\$ 329,025	\$ 329,025		
Short Term Incentive Program		96,300	96,300		
Non-Qualified Plan <sup>(2)</sup>	\$ 32,100	\$ 32,100	\$ 32,100	\$ 32,100	\$ 32,100
<b>Total</b>	<b>\$ 32,100</b>	<b>\$ 457,425</b>	<b>\$ 457,425</b>	<b>\$ 32,100</b>	<b>\$ 376,561</b>

## Edgar Filing: Wright Express CORP - Form DEF 14A

- (1) For purposes of these calculations, the stock price used to calculate potential payments was the closing price on December 30, 2011, being \$54.28.
- (2) As used in this table, Non-Qualified Plan Payout includes the participants' balances in their EDCP and SERP accounts. For Gumbley, the amounts reflect a company contributed pension benefit (equal to 10% of his annual salary) pursuant to his Service Agreement.

**Table of Contents**

- (3) Mr. Elder is covered by the Wright Express Corporation Severance Plan for Officers which provides for 26 weeks of base pay for EVP and SVPs who have been employed with the Company for a minimum of six months upon any termination without cause. On April 13, 2012, Mr. Elder executed a Change in Control Agreement pursuant to which, following a without cause termination or a constructive discharge (both as defined in the agreement), within 90 days before a change in control (as defined in the agreement) and ending 365 days after a change in control (as defined in the agreement), he will receive (i) a cash payment equal to the sum of his then current base salary plus his then current target incentive compensation award, multiplied by 200%, payable, at the company's option, in either one lump sum, equal installments not less frequently than once per month over a twelve month period, or a combination of lump sum and equal installments not less frequently than once per month over a twelve month period, and (ii) any and all base salary and incentive compensation awards earned but unpaid through the date of such termination and any unreimbursed business expenses. In addition, upon such termination, those outstanding and unvested stock options and unvested RSUs held by Mr. Elder of the date of termination will immediately become vested. In addition, the Company shall pay to Mr. Elder in a lump sum an amount equal to the present value of the Company's share of the cost of medical and dental insurance premiums for a 24 month period.
- (4) On April 6, 2011, Mr. Maximic signed an Executive Retention Agreement with the Company pursuant to certain stock option, restricted stock unit and performance-based restricted stock unit awards granted in 2009, 2010 and 2011 will continue to vest in the event that his employment is terminated without cause or upon constructive discharge.
- (5) Mr. Gumbley's Service Agreement requires 12 months notice in connection with any termination during the first year of employment. The potential payments described above are calculated based on a 1-year average exchange rate of 1 GBP : 1.605 USD.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table provides information about shares of common stock that may be issued under the Company's equity compensation plans as of December 31, 2011. The Company's only equity plan, the 2010 Equity and Incentive plan, has been approved by our stockholders.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options and Restricted Stock Units (#)	Weighted-Average Exercise Price of Outstanding Options (Excludes Restricted Stock Units) (\$)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in First Column) (#)
Equity compensation plans approved by Company security holders	951,717	\$ 19.72	4,248,130

**SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Based on a review of the reports and written representations submitted to us, we believe that during 2011 all filings with the SEC by our officers, directors and 10 percent stockholders timely complied with requirements for reporting ownership and changes in ownership of our common stock under Section 16(a) of the Securities Exchange Act of 1934.

**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

Our Board has adopted written policies and procedures for the review of any transaction, arrangement or relationship in which Wright Express is a participant, the amount involved exceeds \$120,000, and one of our

## **Table of Contents**

executive officers, directors, director nominees or 5 percent stockholders (or their immediate family members), each of whom we refer to as a related person, has a direct or indirect material interest.

If a related person proposes to enter into such a transaction, arrangement or relationship, which we refer to as a related person transaction, the related person must report the proposed related person transaction to our General Counsel. The policy calls for the proposed related person transaction to be reviewed and, if deemed appropriate, approved by our Board's Audit Committee. Whenever practicable, the reporting, review and approval will occur prior to entry into the transaction. If advance review and approval is not practicable, the committee will review, and, in its discretion, may ratify the related person transaction. The policy also permits the chairman of the Audit Committee to review and, if deemed appropriate, approve proposed related person transactions that arise between meetings, subject to ratification by the Audit Committee at its next meeting. Any related person transactions that are ongoing in nature are reviewed annually.

A related person transaction reviewed under the policy will be considered approved or ratified if it is authorized by the Audit Committee after full disclosure of the related person's interest in the transaction. The Audit Committee will review and consider such information regarding the related person transaction as it deems appropriate under the circumstances.

The Audit Committee may approve or ratify the transaction only if the committee determines that, under all of the circumstances, the transaction is not inconsistent with the Company's best interests. The committee may impose any conditions on the related person transaction that it deems appropriate.

In addition to the transactions that are excluded by the instructions to the SEC's related person transaction disclosure rule, the Board has determined that the following transactions do not create a material direct or indirect interest on behalf of related persons and, therefore, are not related person transactions for purposes of this policy:

interests arising solely from the related person's position as an executive officer of another entity (whether or not the person is also a director of such entity), that is a participant in the transaction, where (a) the related person and all other related persons own in the aggregate less than a 10 percent equity interest in such entity, (b) the related person and his or her immediate family members are not involved in the negotiation of the terms of the transaction and do not receive any special benefits as a result of the transaction, (c) the amount involved in the transaction equals less than the greater of \$750,000 or 1 percent of the annual consolidated gross revenues of the other entity that is a party to the transaction, and (d) the amount involved in the transaction equals less than 2 percent of the Company's annual consolidated gross revenues; and

a transaction that is specifically contemplated by provisions of the Company's charter or bylaws.  
There were no relationships or related transactions in 2011 which required review under the policy.

The policy provides that transactions involving compensation of executive officers shall be reviewed and approved by the Compensation Committee in the manner specified in its charter.

## **INFORMATION ABOUT VOTING PROCEDURES**

### ***How is my vote counted?***

You may vote for each director nominee or withhold your vote from one or more of the nominees.

You may vote for or against or abstain from voting on the proposals regarding the advisory vote on executive compensation and ratification of the independent registered public accounting firm. If you abstain from voting on either of these proposals, it will have the same effect as a vote against the proposal.

**Table of Contents**

If you provide your voting instructions on your proxy, your shares will be voted:

as you instruct, and

according to the best judgment of the persons named in the proxy if a proposal comes up for a vote at the meeting that is not on the proxy.

If you do not indicate a specific choice on the proxy you sign and submit, your shares will be voted:

*for the three named nominees for directors,*

*for the approval of the company's executive compensation, and*

*for the ratification of Deloitte & Touche LLP as the auditors.*

***What if I do not vote?***

The effect of not voting will depend on how your share ownership is registered. If you own shares as a registered holder and you do not vote, then your unvoted shares will not be represented at the meeting and will not count toward the quorum requirement. If a quorum is obtained, then your unvoted shares will not affect whether a proposal is approved or rejected.

If you are a shareholder whose shares are not registered in your name and you do not vote, then your bank, broker or other holder of record may still represent your shares at the meeting for purposes of obtaining a quorum. In the absence of your voting instructions, your bank, broker or other holder of record will be able to vote your shares in its discretion regarding the ratification of the Company's independent auditors. However, your bank, broker or other holder of record will not be able to vote your shares in its discretion in the election of directors or the advisory vote on executive compensation. Therefore, you *must* vote your shares if you want them to be counted for purposes of these votes.

***What if I change my mind after I submit my proxy?***

You may revoke your proxy and change your vote by:

signing a proxy card with a later date and returning it before the polls close at the meeting, or

voting at the meeting.

***What happens if a director nominee is unable to stand for election?***

The Board may reduce the number of directors or select a substitute nominee. In the latter case, if you have submitted your proxy, the persons named in the proxy can vote your shares for a substitute nominee. The person you authorize to vote on your behalf cannot vote for more than three nominees.

***What constitutes a quorum?***

In order for business to be conducted at the meeting, a quorum must be present. A quorum consists of the holders of one-third of the shares of common stock issued and outstanding on the record date and entitled to vote.

## Edgar Filing: Wright Express CORP - Form DEF 14A

Shares of common stock represented in person or by proxy (including shares that abstain or do not vote with respect to one or more of the matters to be voted upon) will be counted for purposes of determining whether a quorum exists. If a quorum is not present, the meeting will be adjourned until a quorum is obtained.

### ***How many votes are needed to approve the election of the directors?***

Directors will be elected by a plurality of the votes cast at the meeting.

**Table of Contents**

***How many votes are needed to approve the advisory vote on executive compensation and to ratify the selection of the independent registered public accounting firm?***

The affirmative vote of the holders of a majority of the shares present at the meeting in person, or by proxy, and entitled to vote is required for: approval of the advisory vote on executive compensation; and approval of the ratification of the selection of the independent registered public accounting firm. An abstention will be included in the denominator for purposes of determining the number of affirmative votes required for approval. A broker non-vote will be treated as not being entitled to vote on the proposal and will not be counted for purposes of determining whether the proposal has been approved.

***What is the effect of not submitting my proxy if my shares are held in the Wright Express Corporation Employee Savings Plan?***

The trustee for the Wright Express Corporation Employee Savings Plan, which is often referred to as the 401(k) plan, will vote the shares of participants who do not give specific instructions in the same proportion as those shares voted by plan participants who return proxies.

***What does it mean if I receive more than one proxy card?***

It means that you hold your shares in multiple accounts. Please be sure to complete and submit all proxies that you received to ensure that all your shares are voted.

***Where do I find voting results of the meeting?***

We will announce preliminary voting results at the annual meeting. We will also publish the preliminary or, if available, the final results in a current report on Form 8-K within four business days of the end of the meeting. You may access a copy electronically on our website or through the SEC's EDGAR website at [www.sec.gov](http://www.sec.gov). Voting results will be tabulated and certified by our transfer agent, American Stock Transfer & Trust Company.

***Who pays the cost for proxy solicitation?***

The Company pays for distributing and soliciting proxies. As a part of this process, the Company reimburses brokers, nominees, fiduciaries and other custodians for reasonable fees and expenses in forwarding proxy materials to stockholders. The Company does not intend to use an outside proxy solicitation firm to solicit votes, but employees of the Company or its subsidiaries may solicit proxies through mail, telephone, the Internet or other means. Employees do not receive additional compensation for soliciting proxies. The Company may use an outside proxy solicitation firm to advise it in connection with assessing the impact of the votes cast during the solicitation period.

***How do I submit a stockholder proposal, including suggesting a candidate for nomination as a director to the Corporate Governance Committee, for next year's annual meeting?***

Any proposal that a stockholder wishes to be considered for inclusion in our proxy statement and proxy card for the 2013 annual meeting of stockholders must comply with the requirements of Rule 14a-8 under the Exchange Act and must be submitted to the Corporate Secretary, 97 Darling Avenue, South Portland, ME 04106, no later than December 21, 2012. However, in the event that the annual meeting is called for a date that is not within thirty days before or after May 18, 2013, notice by the stockholder must be received a reasonable time before we begin to print and mail our proxy materials for the 2013 annual meeting of stockholders.

If a stockholder wishes to present a proposal before the 2013 annual meeting but does not wish to have a proposal considered for inclusion in our proxy statement and proxy in accordance with Rule 14a-8 or to nominate someone for election as a director, the stockholder must give written notice to our Corporate Secretary at the address noted above. To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and



## **Table of Contents**

received not earlier than January 18, 2013, nor later than February 19, 2013. However, in the event that the annual meeting is called for a date that is not within twenty-five days before or after May 18, 2013, notice by the stockholder must be received no earlier than 120 days prior to the annual meeting and no later than the later of the 90th day prior to the annual meeting or the tenth day following the day on which notice of the date of the annual meeting is first mailed or publicly disclosed. The Company's By-Laws contain specific procedural requirements regarding a stockholder's ability to nominate a director or submit a proposal to be considered at a meeting of stockholders. The By-Laws are available on our website at [www.wrightexpress.com](http://www.wrightexpress.com), under the Corporate Governance tab.

For next year's annual meeting of stockholders, the persons appointed by proxy to vote stockholders' shares will vote those shares according to their best judgment on any stockholder proposal the Company receives after February 19, 2013.

### ***What is householding ?***

Householding means that we deliver a single set of proxy materials to households with multiple stockholders, provided such stockholders give their affirmative or implied consent and certain other conditions are met.

Some households with multiple stockholders already may have provided the Company with their affirmative consent or given a general consent to householding. We will provide only one set of proxy materials to each such household, unless we receive contrary instructions.

We will promptly deliver separate copies of our proxy statement and annual report, or deliver multiple copies in the future, at the request of any stockholder who is in a household that participates in the householding of the Company's proxy materials. You may call our Investor Relations department at (866) 230-1633 or send your request to:

Wright Express Corporation

Attention: Investor Relations Annual Meeting

97 Darling Avenue

South Portland, ME 04106

Email: [investors@wrightexpress.com](mailto:investors@wrightexpress.com)

If you currently receive multiple copies of the Company's proxy materials and would like to participate in householding, please contact the Investor Relations department at the above address.

### ***What is meant by incorporation by reference ?***

Incorporation by reference means that we refer to information that previously has been filed with the SEC, so the information should be considered as part of the filing you are reading. Based on SEC rules, the sections entitled Audit Committee Report and the Compensation Committee Report, of this proxy statement and the information regarding the Audit Committee Charter and the independence of the Audit Committee members specifically are not incorporated by reference into any other filings with the SEC.

You receive this proxy statement as part of the proxy materials for the annual meeting of stockholders. You may not consider this proxy statement as material for soliciting the purchase or sale of our Company's common stock.

**Table of Contents**

***How do I obtain directions to the annual meeting, notify you that I will attend the annual meeting or request future copies of your proxy materials?***

Seating is limited and, therefore, we request that you please notify us if you intend to attend the annual meeting in person. In order to do so, you may either:

write or email the Investor Relations office at this address:

Wright Express Corporation

Attention: Investor Relations    Annual Meeting

97 Darling Avenue

South Portland, ME 04106

Email: [investors@wrightexpress.com](mailto:investors@wrightexpress.com)

- or -

call the Investor Relations department at (866) 230-1633.

If you need directions on how to get to our Long Creek Campus offices in order to attend our annual meeting, please refer to our website at <http://www.wrightexpress.com/About/directions.html> or contact our Investor Relations office.

If you require copies of these or any future proxy materials, please refer to the Investor Relations page of our website at [www.wrightexpress.com](http://www.wrightexpress.com) or contact our Investor Relations office.

**How do I request a copy of your annual report on Form 10-K?**

We will provide you with a copy, without charge, of our Form 10-K, including the financial statements, for our most recently ended fiscal year, upon request to our Investor Relations Department.

By Order of the Board of Directors,

**Hilary A. Rapkin**

SENIOR VICE PRESIDENT,

GENERAL COUNSEL AND

CORPORATE SECRETARY

April 20, 2012

SOUTH PORTLAND, MAINE



Table of Contents

ANNUAL MEETING OF STOCKHOLDERS OF  
**WRIGHT EXPRESS CORPORATION**

May 18, 2012

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS

FOR ANNUAL MEETING TO BE HELD ON MAY 18, 2012:

The Notice of Meeting, Proxy Statement and Annual Report to Stockholders

are available at <http://ir.wrightexpress.com>

Please sign, date and mail  
your proxy card in the  
envelope provided as soon  
as possible.

Please detach along perforated line and mail in the envelope provided.

**PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE x**

**The Board of Directors recommends a vote FOR each nominee.**

1. Election of Directors: To elect three directors for three-year terms.

**NOMINEES:**

**FOR ALL NOMINEES** Regina O. Sommer

Jack VanWoerkom

..

**The Board of Directors recommends a vote FOR Proposal 2.**

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
2. To approve, in an advisory (non-binding) vote, the compensation of our named executive officers.	..	..	..

**The Board of Directors recommends a vote FOR Proposal 3.**

Edgar Filing: Wright Express CORP - Form DEF 14A

.. WITHHOLD AUTHORITY George L. McTavish  
FOR ALL NOMINEES

FOR AGAINST ABSTAIN

3. To ratify the selection of Deloitte & Touche .. ..  
LLP as the Company's independent registered  
public accounting firm for the year ending  
December 31, 2012.

.. FOR ALL EXCEPT

(See instructions below)

Whether or not you attend the annual meeting, it is important that your shares be represented and voted at the meeting. As a stockholder of record, you can vote your shares by signing and dating the enclosed proxy card and returning it by mail in the enclosed envelope. If you decide to attend the annual meeting and vote in person, you may then revoke your proxy. If you hold your stock in street name, you should follow the instructions provided by your bank, broker or other nominee.

**INSTRUCTIONS:** To withhold authority to vote for any individual nominee(s), mark **FOR ALL EXCEPT** and fill in the circle next to each nominee you wish to withhold, as shown here:

To change the address on your account, please check the box at right and indicate your new address in the address space above. ..  
Please note that changes to the registered name(s) on the account may not be submitted via this method.

Signature of Stockholder

Date:

Signature of Stockholder

Date:

**Note:** Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

Table of Contents

**WRIGHT EXPRESS CORPORATION**

**2012 ANNUAL MEETING OF STOCKHOLDERS - May 18, 2012**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned hereby appoints Michael E. Dubyak and Melissa D. Smith as proxies, each with full power of substitution, to represent and vote as designated on the reverse side, all the shares of Common Stock of Wright Express Corporation which the undersigned would be entitled to vote if personally present at the Annual Meeting of Stockholders to be held at the Wright Express Corporation Long Creek Campus offices, at 225 Gorham Road, South Portland, Maine, 04106, on Friday, May 18, 2012, at 8:00 a.m., Eastern Time, or any adjournment or postponement thereof.

**The proxy will be voted as specified, or if you do not indicate a specific choice on the proxy you sign and submit, your shares will be voted: for the three named nominees for directors; for the approval of the company's executive compensation; and, for the ratification of Deloitte & Touche LLP as the auditors. If you sign and submit a proxy, Michael E. Dubyak and Melissa D. Smith are authorized to vote your shares according to their best judgment on any other matters that are properly presented at the meeting, or at**

**any adjournment or postponement thereof.**

**(Continued and to be signed on the reverse side.)**