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May 25, 2021

Subject: Letter of Commitment for State of Indiana RFP 20-1351 Payment Processing Services

Dear Mr. Shaver,

Thank you for the opportunity to partner with Value Payment Systems on this opportunity with the State of Indiana. Vespa Group LLC is pleased to offer our commitment as an Indiana Veteran Owned Small Business (IVOSB) subcontractor.

Vespa Group is listed in both the Federal Center for Veterans Business Enterprise (VA OSDDBU) registry and the IDOA Directory of Certified Firms (IDOA Bidder number: 0000035074). As part of the contract we will:

- Provide services only for those which we are certified to perform as listed in the state directory.
- Provide technical consulting services to assist in data analytics and reporting directly related to contract deliverables and services. (i.e a Valuable Scope Contribution).
- Perform these services throughout the duration of the contract.
- Receive 3.0% annually of the total contract amount, which is approximately \$60,000\* of the annual base contract (\$120,000 total for the two year base contract).

*\* VPS will not charge State Agencies implementation, deployment, subscription, or professional services fees. The total contract value for purposes of subcontractor total compensation calculations will be based on annual VPS Net Revenue (the sum of VPS' annual gross revenue collected from transaction-based convenience fees and/or merchant-funded fees minus pass-through fees such as Interchange, assessments, and ancillary fees charged by card associations and issuing banks collectively). VPS' third-party processor also charges an authorization and settlement fee for its services, which VPS shall exclude from its Net Revenue calculation. This is consistent with how VPS' third party auditors define the organization's revenue according to Generally Accepted Accounting Principles (GAAP).*

Please contact me directly if you have any questions regarding Vespa Group's participation on this opportunity. We greatly look forward to working with the State of Indiana on this exciting project.

Very respectfully,

Anthony J. Vespa  
Founder / Principal  
410-533-6247  
vespa@vespa-group.com  
201 N Illinois Street  
South Tower, Suite 1600  
Indianapolis, IN 46204