

point&pay



 **Jefferson
Parish**
State of Louisiana

TECHNICAL PROPOSAL

**PROVIDE PAYMENT PROCESSING SERVICES FOR DEBIT/CREDIT
CARD & OTHER FORMS OF ELECTRONIC PAYMENTS**

RFP No. 0438

May 24, 2022 | 3:30 PM CST

May 23, 2022

Sidney Duffy
J.P. General Government Building
200 Derbigny Street, Suite 4400
Gretna, LA 70053

Dear Ms. Duffy:

Point & Pay appreciates the opportunity to respond to RFP No. 0438, to Provide Payment Processing Services for Debit/Credit Card forms of Electronic Payments. As a leading nationwide provider of progressive payment solutions for governments, utilities, and other agencies, we are confident our combination of best-in-class products, integration capabilities, and high quality service will surpass the Parish's expectations and project goals. We identify key areas below that resonate with our approach and products.

➤ **Delivering an Exceptional Customer Experience**

Point & Pay's *BillPay* solution drives new levels of customer engagement that offers a convenient way to make payments anytime, anywhere.

➤ **Enabling Efficient Administrative Operations**

Our payment solution will allow the Parish departments' to streamline revenue collection, increase the receipt of payments, and lower costs to customers.

➤ **Providing a Secure, Integrated, and Hosted Solution**

For nearly two decades, we have enabled a seamless data exchange between our solution and our clients' systems. Additionally, all of Point & Pay's payment solutions are PCI-DSS and SOC 1 Type II compliant and certified.

We are proud of our prominent presence with large governments nationwide, including our current implementation that is well underway with the Louisiana Department of Revenue. Anthony Laberge, E-Payments Coordinator at King County, Washington applauded us by stating: *"Their service replaced several independent providers and contracts, saving time and money across several departments."* We now welcome the opportunity to partner with the Parish to provide merchant card services that increases efficiencies, enhances customer services, and delivers better payment capabilities to customers.

- **Authorized to Sign Contracts:** Kevin C. Connell, CEO | kconnell@pointandpay.com
- **Individual for Contract Negotiations:** Mark Hooker | 813.310.2922 | mhooker@pointandpay.com

Thank you for your consideration and we welcome future discussions with the Parish.

Best regards,



Kevin C. Connell
Chief Executive Officer

**POINT AND PAY, LLC
CONSENT IN LIEU OF SPECIAL MEETING
OF THE SOLE MANAGER**

October 1, 2018

The undersigned, being the sole manager (the "Manager") of Point and Pay, LLC, a Delaware limited liability company (the "Company"), hereby consents to the following actions:

I. Authorized Signatory for RFQs and RFPs.

RESOLVED, that Kevin Connell is hereby appointed as an authorized signatory on behalf of the Company for purposes of executing Requests for Quotes, Requests for Proposals and other documents of similar purpose (collectively, "RFQs and RFPs"), and is hereby authorized to execute, in the name and on the behalf of the Company, any and all RFQs and RFPs made in the ordinary course of business.

II. Miscellaneous

FURTHER RESOLVED, that each manager and officer is authorized and directed to execute and deliver such other agreements, certificates, instruments, notices, filings and additional documents, and to take such other steps and to do such other acts and things, as in his or her judgment may be necessary, appropriate or desirable in order to carry out the intent of the foregoing resolutions;

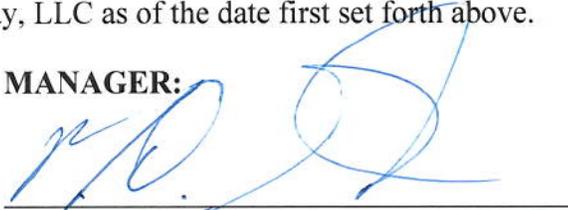
FURTHER RESOLVED, that any and all actions taken by the Manager in connection with and in furtherance of the matters referred to in any of the foregoing resolutions are hereby ratified, confirmed, approved, and adopted in all respects; and

FURTHER RESOLVED, that these resolutions may be executed in counterparts, each of which constitutes an original, and all of which, taken together, constitute one and the same original, and facsimile signatures on these resolutions shall be deemed to constitute original signatures.

[signatures on following page]

IN WITNESS WHEREOF, the undersigned has executed this Consent in Lieu of Special Meeting of the sole Manager of Point and Pay, LLC as of the date first set forth above.

MANAGER:

A handwritten signature in blue ink, consisting of stylized initials and a surname, positioned above a horizontal line.

Marc Gardner

Request for Proposals #0438

Merchant Card Payment Processing Services

SIGNATURE PAGE

The Jefferson Parish Department of Purchasing is soliciting Request for Proposals (RFP'S) from qualified proposers who are interested in providing Merchant Card Payment Processing Services for the Jefferson Parish Finance Department.

Request for Proposals will be received until 3:30 p.m. Local Time on: May 24, 2022.

Acknowledge Receipt of Addenda: Number: #1 - 5/4/22
Number: #2 - 5/11/22
Number: _____
Number: _____
Number: _____
Number: _____

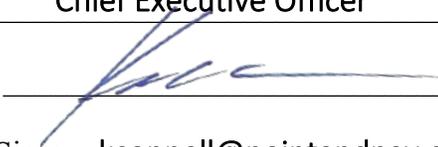
Name of Proposer: Point and Pay, LLC d/b/a Point & Pay

Address: 110 State Street East
Oldsmar, FL 34677

Phone Number: 888.891.6064 Fax Number 863.248.1891

Type Name of Person Authorized to Sign: Kevin C. Connell

Title of Person Authorized to Sign: Chief Executive Officer

Signature of Person Authorized to Sign: 

Email Address of Person Authorized to Sign: kconnell@pointandpay.com

Date: May 20, 2022

This RFP signature page must be signed by an authorized Representative of the Company/Firm for proposal to be valid. Signing indicates you have read and comply with the Instructions and Conditions.

Request for Proposal

AFFIDAVIT

STATE OF Florida

PARISH/COUNTY OF Pinellas

BEFORE ME, the undersigned authority, personally came and appeared: _____
Kevin C. Connell, (Affiant) who after being by me duly sworn, deposed and said that he/she is the fully authorized Chief Executive Officer of Point and Pay, LLC (Entity), the party who submitted a proposal in response to RFP Number 0438, to the Parish of Jefferson.

Affiant further said:

Campaign Contribution Disclosures

(Choose A or B, if option A is indicated please include the required attachment):

Choice A _____ Attached hereto is a list of all campaign contributions, including the date and amount of each contribution, made to current or former elected officials of the Parish of Jefferson by Entity, Affiant, and/or officers, directors and owners, including employees, owning 25% or more of the Entity during the two-year period immediately preceding the date of this affidavit or the current term of the elected official, whichever is greater. Further, Entity, Affiant, and/or Entity Owners have not made any contributions to or in support of current or former members of the Jefferson Parish Council or the Jefferson Parish President through or in the name of another person or legal entity, either directly or indirectly.

Choice B X there are **NO** campaign contributions made which would require disclosure under Choice A of this section.

Affiant further said:

Debt Disclosures

(Choose A or B, if option A is indicated please include the required attachment):

Choice A _____ Attached hereto is a list of all debts owed by the affiant to any elected or appointed official of the Parish of Jefferson, and any and all debts owed by any elected or appointed official of the Parish to the Affiant.

Choice B X There are **NO** debts which would require disclosure under Choice A of this section.

Affiant further said:

Solicitation of Campaign Contribution Disclosures

(Choose A or B, if option A is indicated please include the required attachment):

Choice A _____ Attached hereto is a list of all elected officials of the Parish of Jefferson, whether still holding office at the time of the affidavit or not, where the elected official, individually, either by **telephone or by personal contact**, solicited a campaign contribution or other monetary consideration from the Entity, including the Entity's officers, directors and owners, and employees owning twenty-five percent (25%) or more of the Entity, during the two-year period immediately preceding the date the affidavit is signed. Further, to the extent known to the Affiant, the date of any such solicitation is included on the attached list.

Choice B X there are **NO** solicitations for campaign contributions which would require disclosure under Choice A of this section.

Affiant further said:

That Affiant has employed no person, corporation, firm, association, or other organization, either directly or indirectly, to secure the public contract under which he received payment, other than persons regularly employed by the Affiant whose services in connection with the construction, alteration or demolition of the public building or project or in securing the public contract were in the regular course of their duties for Affiant; and

That no part of the contract price received by Affiant was paid or will be paid to any person, corporation, firm, association, or other organization for soliciting the contract, other than the payment of their normal compensation to persons regularly employed by the Affiant whose services in connection with the construction, alteration or demolition of the public building or project were in the regular course of their duties for Affiant.

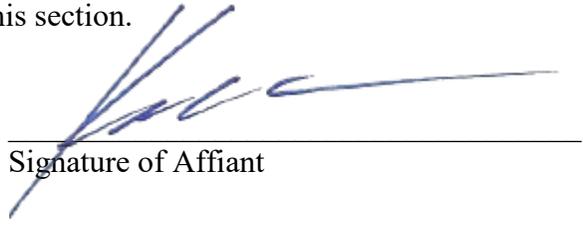
Affiant further said:

Subcontractor Disclosures

(Choose A or B, if option A is indicated please include the required attachment):

Choice A _____ Affiant further said that attached is a listing of all subcontractors, excluding full time employees, who may assist in providing professional services for the aforementioned RFP.

Choice B X There are **NO** subcontractors which would require disclosure under Choice A of this section.



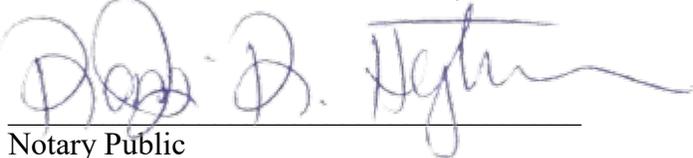
Signature of Affiant

Kevin C. Connell

Printed Name of Affiant

SWORN AND SUBSCRIBED TO BEFORE ME

ON THE 20 DAY OF May, 2022.



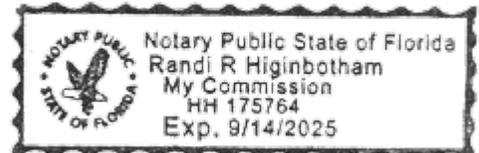
Notary Public

Randi R. Higinbotham

Printed Name of Notary

HH 175764

Notary/Bar Roll Number



My commission expires September 14, 2025



R. Kyle Ardoin

SECRETARY OF STATE

As Secretary of State of the State of Louisiana, I do hereby Certify that

the Application Form for Certificate of Authority of

POINT AND PAY, LLC

Domiciled at WILMINGTON, DELAWARE,

Was filed and recorded in this Office on January 21, 2022.

Thus authorizing the limited liability company to exercise the same rights and privileges accorded similar domestic limited liability companies, subject to the provisions of R. S. Title 12, Chapter 22, Part VIII.

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on,

January 21, 2022

Secretary of State

WEB 44761421Q



Certificate ID: 11514613#E5D52

To validate this certificate, visit the following web site, go to **Business Services, Search for Louisiana Business Filings, Validate a Certificate**, then follow the instructions displayed.
www.sos.la.gov

R. Kyle Ardoin
SECRETARY OF STATE

State of Louisiana
Secretary of State



COMMERCIAL DIVISION
225.925.4704

January 21, 2022

Administrative Services
225.932.5317 Fax
Corporations
225.932.5314 Fax
Uniform Commercial Code
225.932.5318 Fax

The attached document of POINT AND PAY, LLC was received and filed on January 21, 2022.

WEB 44761421Q

SECRETARY OF STATE



Agent Affidavit and Acknowledgement of Acceptance

Charter Number: 44761421Q

Charter Name: POINT AND PAY, LLC

The agent / agents listed below accept the appointment of registered agent for and on behalf of the Charter Name above.

Date Responded	Agent(s)	Agent(s) Electronic Signature
01/21/2022	C T CORPORATION SYSTEM	KAITY TOON, ASST. SECRETARY

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1 EXECUTIVE SUMMARY

Point & Pay understands Jefferson Parish seeks a merchant card service vendor to provide payment processing services for debit/credit card and other forms of electronic payments for use throughout applicable Jefferson Parish departments. We also understand the Parish is interested in expanding online payment capabilities for a central hub in making online payments.

Point & Pay is proud to serve as a solution builder, payment expert, and consulting resource by learning clients' unique needs and customizing a payment solution that satisfies all requirements and specifications. The Point & Pay suite of products and services, coupled with our team of highly experienced, highly capable industry veterans, delivers on those needs. Our progressive payment solutions provide an engaging, experience for customers and delivers increased efficiencies through greater utilization. Having implemented solutions for 5,000+ clients' nationwide, we offer the Parish a best-in-class payment solution that will provide outstanding customer service year after year.

We identify key points to demonstrate how the Parish would benefit from our proposed services.

1 Next Generation Collection Products

Point & Pay's *BillPay* solution drives new levels of customer engagement with a mobile-dynamic interface that offers electronic billing, recurring payments, email/text notifications, and more.

2 Efficient Administrative & Financial Operations

Our payment solution will allow the Parish to streamline revenue collection, maintain accurate accounting records, increase the receipt of payments, and lower costs to customers.

3 Integration Expertise

For two decades, Point & Pay has performed numerous, successful API integrations with software providers nationwide and are capable of achieving a seamless integration for the Parish.

4 Comprehensive & Customizable Reporting

Point & Pay's suite of robust reporting tools enables real time, ad hoc, and file-based reporting with 24/7 access using our secure and password-protected website.

5 Training to Support the Solution Effectively

Point & Pay will use direct training for all system functionality, including web conference sessions, hands-on, practical learning in the demo environment, and recorded training via URL.

6 PCI-DSS Level 1 and SSAE 18 Type II Compliant

We undergo annual audits for both PCI-DSS and SSAE 18 Type II compliance and utilize several secure methods to encrypt sensitive customer data.

7 Exceptional Customer and Technical Service Support

Point & Pay makes it a priority to provide exceptional customer and technical service support to our clients' and their customers to ensure complete satisfaction.

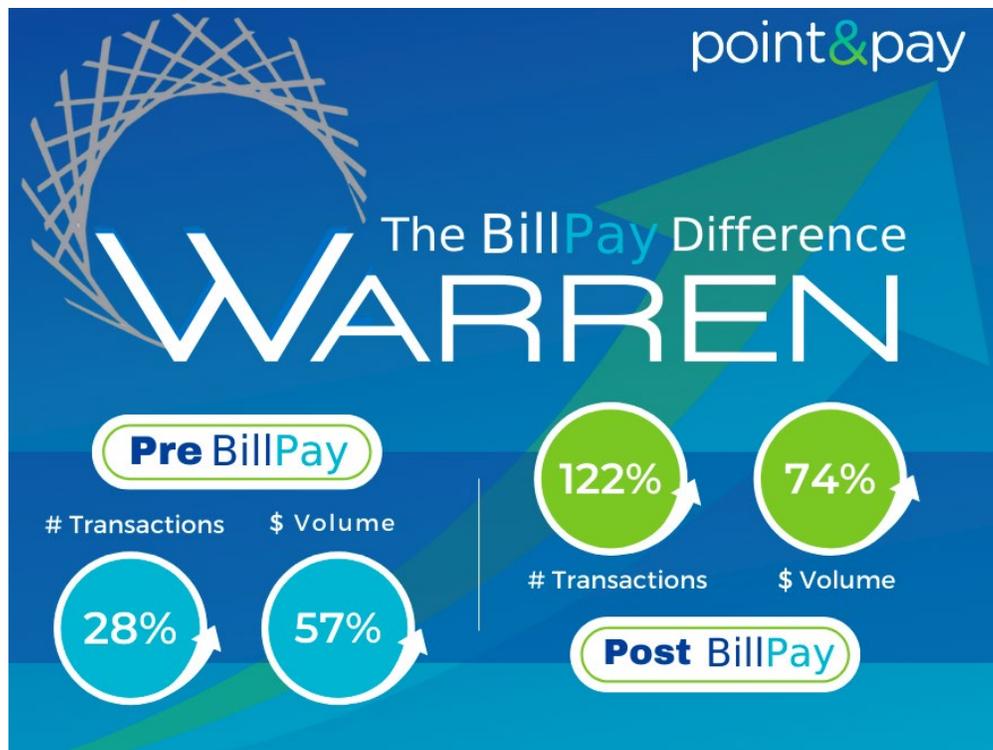
Part of our ongoing commitment to clients' involves ensuring our solutions stay current with industry standards and practices, including the protection and security of private information and maintenance of



public records. We accomplish this by deploying the best user interfaces, generating new benchmarks for e-Billing enrollment, recurring payments, and electronic payments generally. It also helps that the byproducts of high-quality user experiences are satisfied customers, as well as an increased utilization of electronic billing and payments, ultimately resulting in consistent cost savings year over year.

As a focused provider of electronic billing and payment solutions for governments, Point & Pay designs and customizes payment solutions that provide cost-effective deployment strategies to meet each client's unique needs. We achieve accelerated adoption and utilization by collaborating with our clients on multimedia marketing campaigns designed to migrate and enroll current customers. For every bill converted to electronic delivery and every payment taken out of the remittance process, we create savings for our clients, not to mention extremely satisfied customers.

We detail the benefits/cost savings experienced by the City of Warren, Michigan (3rd largest in the State).



MARKETING PLAN TO ADVERTISE THE NEW PAYMENT SOLUTION

Point & Pay welcomes the opportunity to collaborate with the Parish in developing a multi-channel, multi-wave approach to creating a successful migration plan that will generate ample awareness in promoting the new solution. Point & Pay will provide the Parish with email and social media campaigns, bill inserts, lobby posters, customized counter cards, etc.

On a final note, we welcome future discussions with the Parish to learn how our payment solutions provide simplicity and ease of adaptation for new services, which ultimately improves communications with Parish staff and customers.

1.1 SCOPE OF WORK/SERVICES

1. *The Merchant service provider (or providers, if multiple contracts are awarded) will be required to provide and operate, consistent with Parish guidelines and oversight, its own front-end payment system to process customer payments for various debt types owed to the Parish.*

Point & Pay serves as a specialized gateway and technology platform focused on providing the best payment experiences available to governments. We offer a Software-as-a-Service (SaaS) based platform that is hardware agnostic and supports the most recent releases of every major internet browser. The technology and/or computing platforms that the solution supports includes Amazon Web Services, Java, .NET, Microsoft Windows, Apple iOS, Google Android, and others.

ACCEPTANCE, AUTHORIZATION, AND VALIDATION OF MULTIPLE PAYMENT TYPES

Point & Pay accepts credit cards issued by Visa, MasterCard, Discover/Novus, and American Express. We also accept PIN-based and PIN-less debit cards in real time using the same process as credit cards. Point & Pay fully supports all common networks for both online and offline debit cards and provide transparent switching between authorization routes for a seamless customer experience. Our solution further accepts prepaid cards, gift cards, promotional cards, corporate cards, international credit cards, electronic checks, and digital wallet options.

Point & Pay performs real-time authorization and validation methods for the customer's transaction and it occurs in a matter of sections. During the final step, our system requires the customer to enter their card payment information, along with the associated verification type, including AVS, CVV, CVC, and CID. With all gateway, terminal, acquiring, and processing functions in-house, we are able to manage AVS and CVV rules per the Parish's requirements using our sophisticated hierarchy controls.

In compliance with the new NACHA rules, Point & Pay's validation for electronic checks (eChecks) includes instant verification of account number formatting and logic, blacklist, double-blind entry verification, real-time Federal Reserve validation, in addition to, real-time confirmation that the account is ACH-eligible, is in good standing, and has a positive balance. Our validation services ultimately reduce returns by confirming customer accounts numbers, that no negative check data exists, and that the customer has a positive account balance with sufficient funds to cover the total transaction cost.

PREVENTING FRAUDULENT ACTIVITY

To minimize fraudulent transactions, Point & Pay utilizes over 60 fraud control practices for limiting risk and controlling exposure, including automatic Fraud Checks. These various measures would increase efficiencies for the Parish. Our policies and procedures concerning responses to fraud are designed to align with the operating rules of the card associations. Please refer to additional practices below.

- 3D Secure Enablement via an integrated solution or gateway certification
- Duplicate payment detection and prevention
- Validation against blacklists and client-configured exclusions
- Transaction velocity controls

- Geographic monitoring and the ability to block traffic from high-risk areas or specific addresses
- Feedzai component to mitigate fraudulent transactions through machine learning
- Crowdstrike’s ‘Falcon’ product for cloud-native cybersecurity to prevent malware attacks
- HAWK:AI screening tools to monitor transactions in real-time with a comprehensive set of rules and behavior analytics, as well as reduce false positives with artificial intelligence

1.1.A MOBILE-DYNAMIC BILLPAY SOLUTION

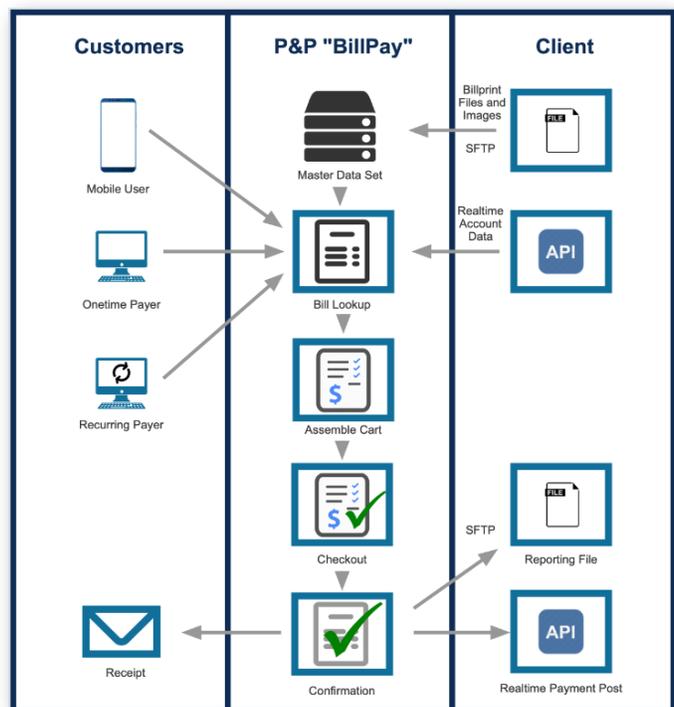
Point & Pay proposes our best in class, mobile-dynamic ‘*BillPay*’ solution that modernizes the payment experience and enhances customer engagement with an intuitive user interface that features uniquely configured web pages. It is our most advanced and comprehensive web product that ultimately drives electronic utilization by providing customers with instant access to valuable tools and efficiencies, while safeguarding sensitive data with the strongest security controls available.

The product’s mobile-dynamic dashboard personalizes every aspect of the payment process in a simplified and streamlined manner. We offer visual tools that are highly configurable to match the look and feel of the Parish’s site. These customizable templates include key elements of each department’s branding (logos, colors, text, etc.).

Point & Pay is able to implement our *BillPay* solution as a stand-alone system with full service search, present, and payment option, as well as the ability to provide it as an integrated solution for payment of utility bills, court citations, property taxes, and others.

The Point & Pay *BillPay API* provide real-time bill/balance lookup, customer information lookup, post payment notifications, and custom behavior flags (i.e., budget billing, escrow, restrictions). One of our advanced integration techniques involves developing custom API connectivity modules. We are able to configure the data associated with transactions using an unlimited quantity of client defined fields and attributes.

Point & Pay also offers a customizable *Inbound File Exchange* for driving bill/balance presentment and customer validation via “print files” and/or “balance update files”. With our *Outbound File Exchange*, we are able to customize the process for driving transaction results, settlement information, and other reporting functions via generation and delivery of files.



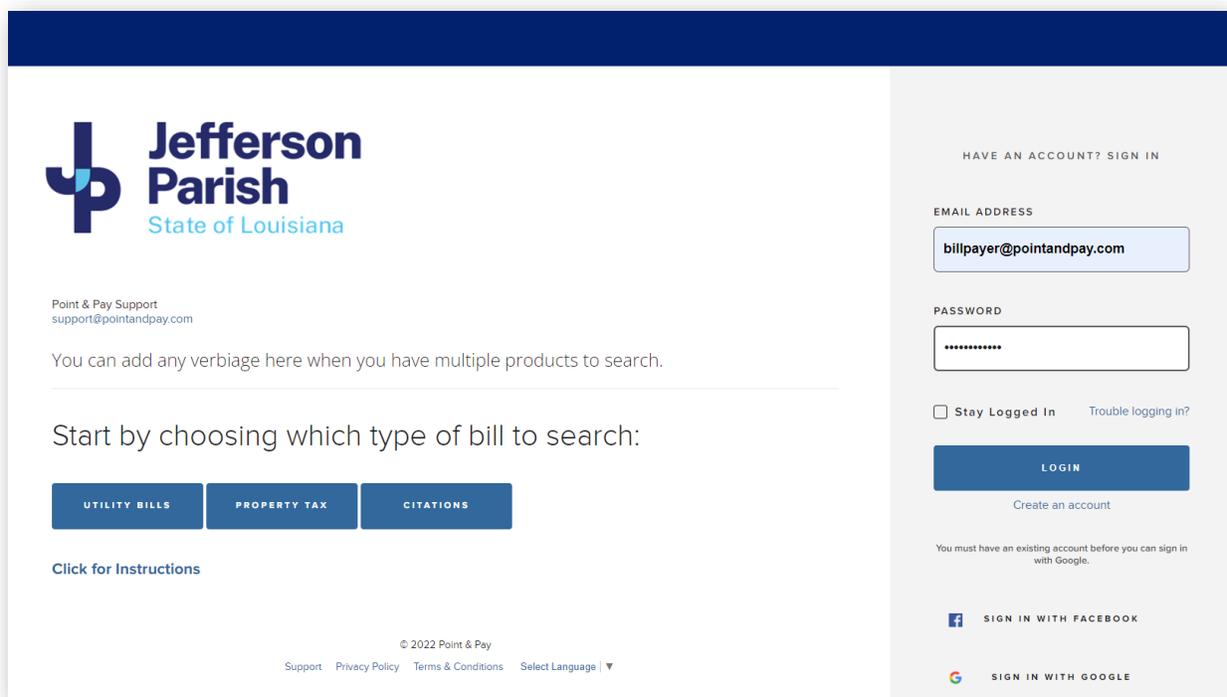
BillPay API

Point & Pay’s solution provides the features below.

- ✓ Quickpay for a fast, one-time payment
- ✓ Accommodates over 100 language preferences
- ✓ reCAPTCHA security functionality
- ✓ Display of the convenience fee for each payment type during the 2nd step of checkout
- ✓ Future-dated, installment, and recurring payment capabilities
- ✓ Electronic/paperless billing option
- ✓ Shopping carts for managing multiple payments in the same checkout
- ✓ Manage personal profile with the ability to store payment methods
- ✓ Email and text/SMS notifications and Ad-hoc customer communication tools

SAMPLE PAYMENTS HOME PAGE FOR THE PARISH

From the home page, the customer is presented with the option to register by entering their email and password after completing a one-time payment; however, if they want to expedite the process and use existing sign on credentials from social media accounts, they have this ability **via Facebook or Google**.



Payments Home Page

Search for Utility Bills

SEARCH FOR:
Utility Bills

ACCOUNT ID

NAME

SEARCH

Search Functionality (above) & Shopping Cart Payment (below)

Your Cart \$202.00 Clear Cart

Jefferson Parish State of Louisiana

1 Cart — 2 Payment — 3 Review — 4 Confirmed

Please review your cart

Can add custom verbiage here

ACCOUNT #	NAME	ADDRESS	
2410	Alton Smith	61400 Batz Gardens Portland	REGISTER ACCOUNT

March 2021 Utility Bill
Alton Smith
61400 Batz Gardens Portland
Due 03/31/2021

Payment Options

Balance Due (\$202.00)

\$202.00

REMOVE FROM CART

BACK CHECKOUT

For a quick, one-time payment without logging in, the solution presents the customer with the option to select their preferred payment method, enter their billing information, as well as offers the option to save their payment method for future use.

Your Cart \$202.00 Clear Cart

Jefferson Parish
State of Louisiana

1 Cart — 2 **Payment** — 3 Review — 4 Confirmed

Choose your preferred method of payment

Can add custom verbiage here

Credit Card
\$6.95 service fee

Debit Card
\$1.00 service fee

Electronic Check
\$3.00 service fee

FIRST NAME: LAST NAME:

CARD NUMBER:

MONTH: YEAR: CVV:

BILLING ADDRESS:

CITY: STATE: ZIP CODE:

EMAIL ADDRESS:

Credit Card Payment and Option to Save Payment Information

With Point & Pay's proposed solution, the customer will not only be able to view all payment details on the confirmation page, but the system will automatically email a receipt that includes the transaction date, amount of their bill, total amount paid, a unique confirmation number, as well as the option to print a receipt. We can also add other data fields if the Parish prefers to display additional messages.

Your Cart \$202.00 Clear Cart



✓ Cart ✓ Payment **3 Review** 4 Confirmed

Review your order details

Can add custom verbiage here

CONTACT INFO
Alton Smith
1234 Redwood Road
Gretna, LA 70053
asmith@gmail.com

PAYMENT METHOD
 **** * 1111

ACCOUNT #	OPTION	AMOUNT
2410	Balance Due	\$202.00
	Processing Fees	\$6.95
	Total:	\$208.95

Select Payment Date: Tue May 10th 2022

I Agree To The [Terms & Conditions](#)

BACK SUBMIT

Payment Review & Acknowledgement of Terms & Conditions



✓ Cart ——— ✓ Payment ——— ✓ Review ——— ✓ Confirmed

Success. Confirmation #6215012

An email confirmation has been sent to asmith@gmail.com

Can add custom verbiage here

CONTACT INFO

Alton Smith
1234 Redwood Road
Gretna, LA 70053
asmith@gmail.com

PAYMENT METHOD

 **** * 1111

ACCOUNT #	OPTION	AMOUNT
2410	Balance Due	\$202.00
	Processing Fees	\$6.95
Total:		\$208.95



Print Your Confirmation



Save time and paper

We have sent you an activation email. Please check your inbox to complete registration or click below.

[REGISTER NOW](#)

Payment Confirmation with Option to Print Receipt

RECURRING PAYMENTS WITH 'AUTOPAY' FUNCTIONALITY

Registered customers can enable this *'Set It and Forget It'* functionality based on billing frequency, payment method, total amount due, specific amount, or an "up to" limit. This efficient feature allows customers' payments to process automatically at their scheduled dates in the future. Once activated, this feature automatically populates the upcoming payment dates and the associated fees for each payment.

The screenshot shows the 'Autopay' configuration page for Jefferson Parish. The interface includes a sidebar with navigation options: DASHBOARD, HISTORY, SEARCH, and PROFILE. The main content area is titled 'Autopay' and contains several sections:

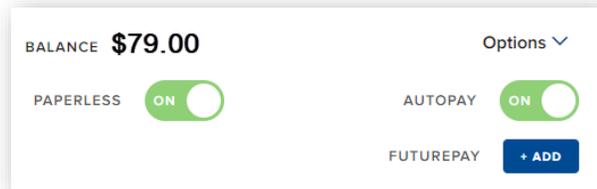
- I'D LIKE TO PAY:** Radio buttons for 'Balance' and 'Other Amount' (selected). A text input field contains '\$200.00'.
- I'D LIKE TO PAY MY:** A dropdown menu showing 'Utility Bill'.
- I'D LIKE TO PAY WITH:** Radio buttons for four payment methods: 'Credit card (****1111)', 'My Visa (****4344)', 'Credit card (****1111)', and 'Personal checking (*****)'. A '+ Add New Payment Method' link is also present.
- I'D LIKE MY PAYMENTS TO START ON:** A date input field showing 'Tue Nov 16th 2021'.
- I'D LIKE MY PAYMENT TO BE PROCESSED:** Two dropdown menus for frequency, both set to 'monthly'.
- I'D LIKE MY PAYMENTS TO REPEAT ON:** A dropdown menu set to 'The 16th of the month'.
- My next four Autopay will occur on:** A list of dates: Tuesday, November 16th 2021; Thursday, December 16th 2021; Sunday, January 16th 2022; and Wednesday, February 16th 2022.
- I Agree To The Terms & Conditions:** A checked checkbox.
- SAVE AUTOPAY:** A blue button at the bottom.

Autopay Schedule

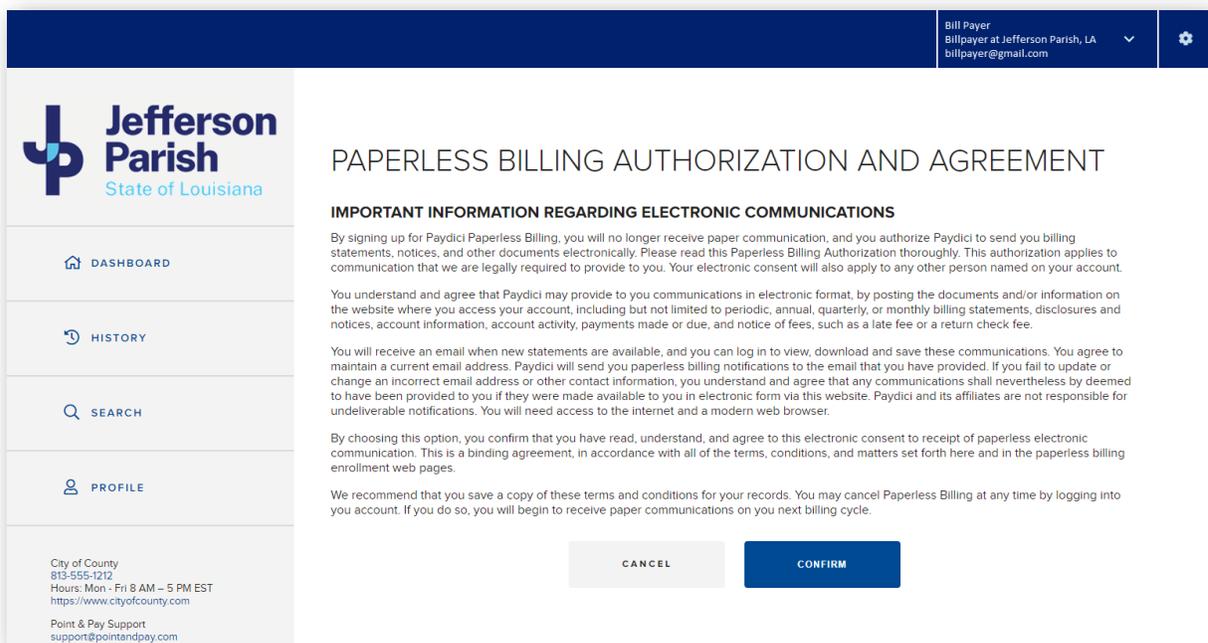
DIGITAL BILL DELIVERY VIA EMAIL AND TEXT

Point & Pay’s mobile-dynamic solution encourages customers to enroll in electronic billing with a user-friendly toggle switch, located at the top right of their dashboard. With this economical option activated, customers are able to receive and view current and prior bills, statements, and receive reminders via email and/or text, regardless of payment frequency. The bill and/or statement that displays on screen is identical to the paper bill they received in the mail.

When a new electronic bill is generated, Point & Pay’s proposed solution will send a notification/alert via email and/or text (SMS) reminding the customer that they have an upcoming payment due, as well as the ability to view their new eBill.



Paperless Toggle Switch Enabled



Paperless Billing Enrollment

When accessing their account from the Parish’s site, the customer is also able to access bills by selecting the PDF icon displayed under the ‘*Statements*’ tab to view their most current bill, as well as prior bills.

When accessing bills and statements from their mobile device, the solution instantly adjusts to the screen size of the customer’s phone or tablet, as we designed our product to be responsive on any device. Our system does not limit the number, or type of bills that display to the customer. Our application is designed to accumulate a substantial bill history for extensive portfolios of bills.



While we have only been asked to present PDFs, we have no system limitations on the formats displayed to the customer. Our standard record retention policy for bill data is two (2) years, but we will negotiate additional years of history in the contract stage.

Point & Pay also offers the ability to customize business rules based on different types of data exchanges. For example, we can configure an address change so that it does not trigger any changes, whereas an owner name change might trigger the deactivation of any payment or account management access for the previous accountholder.

In the same way, bill updates can be configured to trigger archiving of the previous bill or it can be interpreted as a new bill for the same account. Even in the case of file-based integrations, we are setup to support intra-day data changes, with our current import schedule supporting up six unique file imports per day.

Jefferson Parish
State of Louisiana

18
OCT

AMOUNT DUE:
\$79.00

Hello Bridget,

A new bill is available from the Jefferson Parish.
Please remit payment by October 18, 2022.

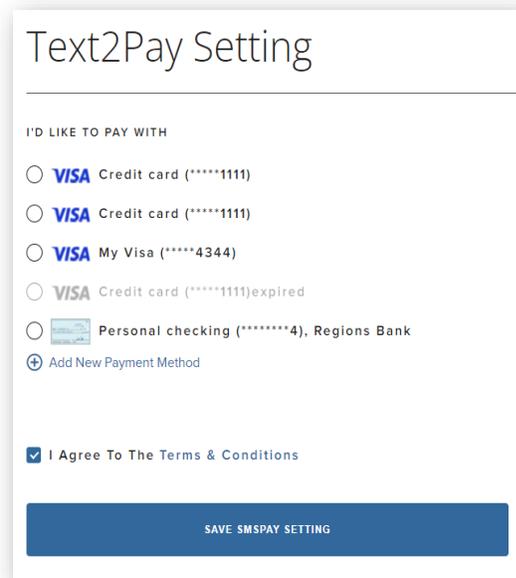
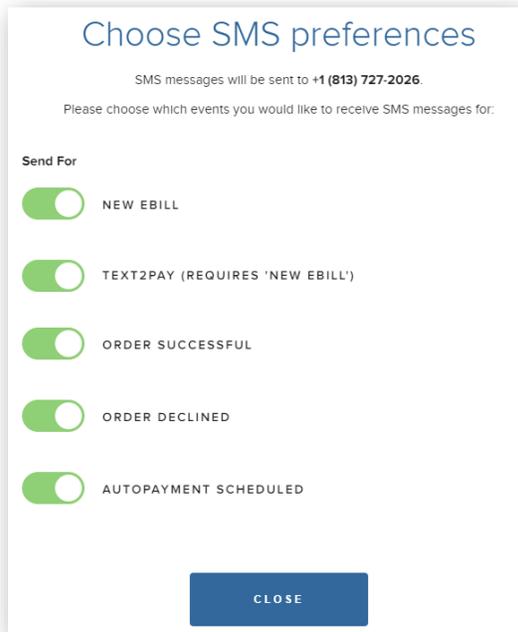
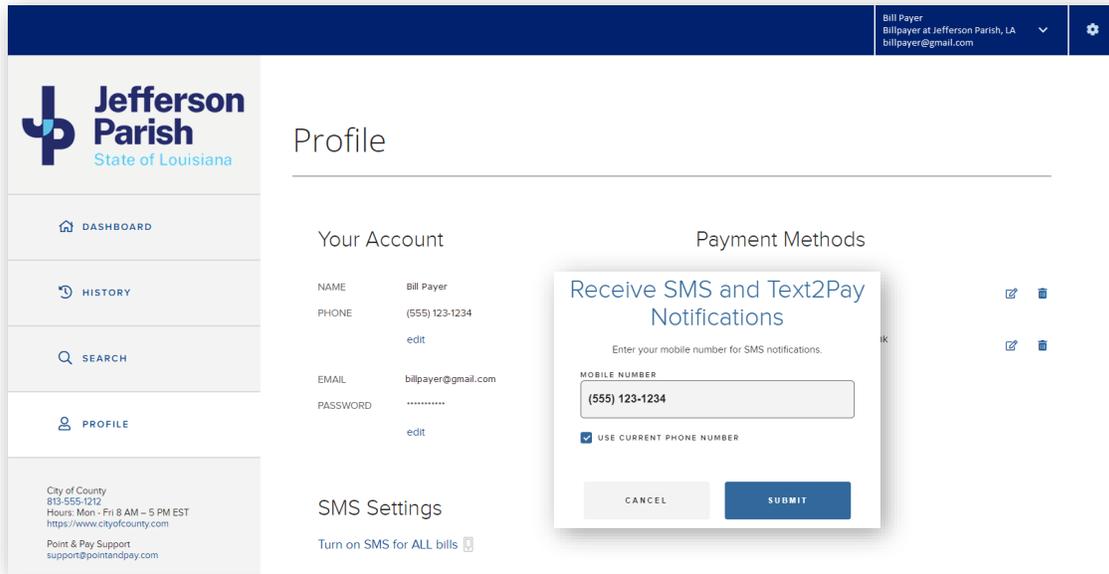
Use the 'Quickpay' button below to schedule a payment or click 'Login' to view your bill, account details, or edit your Profile settings.

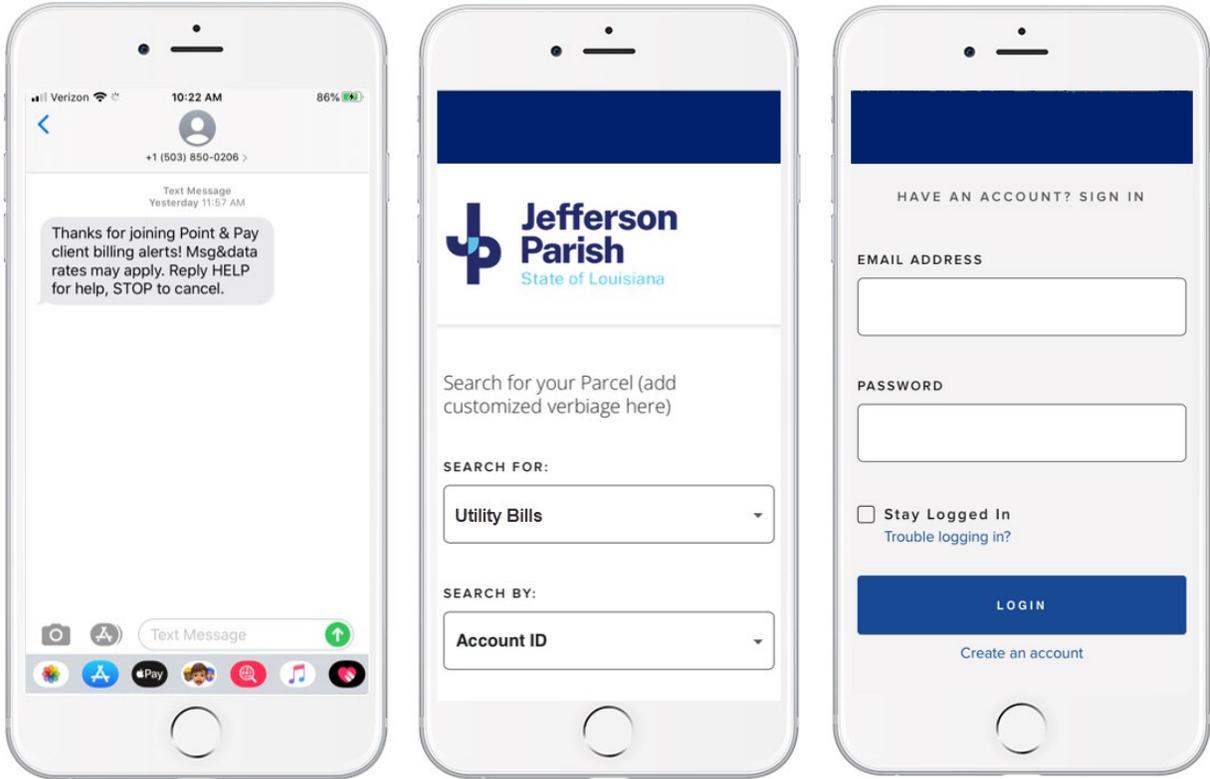
LOGIN **QUICKPAY**

Electronic Bill (e-Bill) Notification

CUSTOMER PROFILE & MOBILE FUNCTIONALITY

Point & Pay’s proposed BillPay solution is mobile-friendly and responsive across all devices available. Our mobile-optimized solution provides an intuitive, user-friendly interface for customers. Within the *Profile* tab, customers are able to add/edit their name, phone number(s), email addresses, password, and payment methods. They also have the ability to enable SMS/text notifications or alerts for all bill types, thereby eliminating the need to schedule their own reminders to pay their bill.

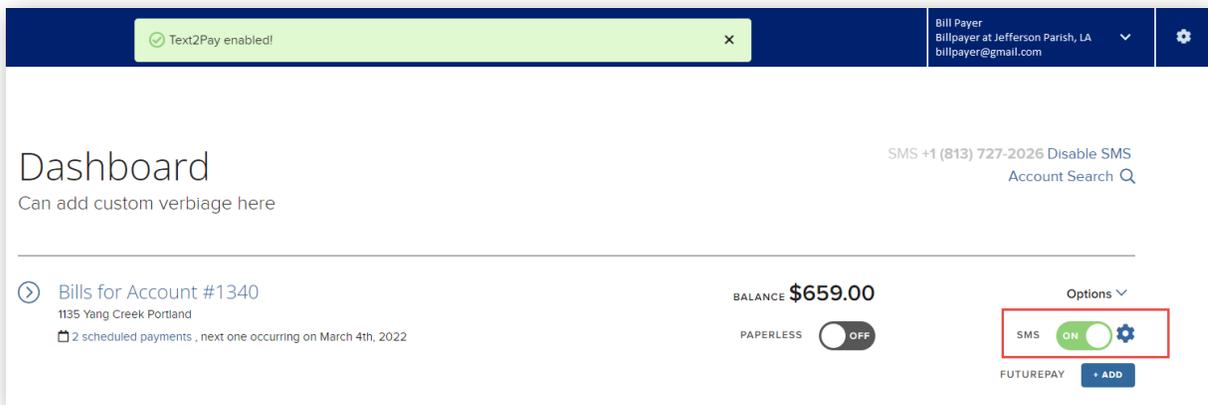




SPEEDY COLLECTIONS WITH PAY-BY-TEXT

With Point & Pay’s text-based reminders and mobile-responsive *BillPay* solution, the Parish will improve on-time payment rates, reduce collection costs, and build customer confidence.

To enable *Text2Pay*, customers have the option to click on the toggle button at the top right of their dashboard, or turn on SMS/text settings under the *Profile* tab. As one of the highly praised and efficient features of our solution, *Text2Pay* encourages customers to pay immediately. With their preferred payment method saved, they will be able to pay the Parish quickly with just a few taps.



Text2Pay Enabled on Dashboard Display

ACCOUNT ACTIVITY & STATEMENT HISTORY

Customers are able to view account activity that includes successful, scheduled, and cancelled payments with all associated payment data. They will also be able to access up to 24 months of their statement history, which displays an image of their electronic bill by selecting the PDF icon. Please note we can enable this feature as long as we receive the necessary data files from the Parish during implementation.

Jefferson Parish
State of Louisiana

Bill Payer
Billpayer at Jefferson Parish, LA
billpayer@gmail.com

History

Can add custom verbiage here

Filter by Account #: All

You have until 2:59 AM (Eastern Daylight Time) on the day of the scheduled payment date to cancel the payment.

ACCOUNT ACTIVITY 88 | STATEMENTS 11

Filter by Order Status: Submitted Orders

DATE	DESCRIPTION	AMOUNT	FEE	STATUS
May 5, 2021	VISA ending in 1111, paid by Frank	\$103.00	\$3.00	Success
May 5, 2021	VISA ending in 1111, paid by Frank	\$11.22	\$3.00	Success
May 5, 2021	VISA ending in 1111, paid by Test Test	\$13.20	\$3.00	Success

City of County
813-555-1212
Hours: Mon - Fri 8 AM - 5 PM EST
https://www.cityofcounty.com

Point & Pay Support
support@pointandpay.com

Payment Account Activity & Statement History

Jefferson Parish
State of Louisiana

Bill Payer
Billpayer at Jefferson Parish, LA
billpayer@gmail.com

History

Can add custom verbiage here

Filter by Account #: All

You have until 2:59 AM (Eastern Daylight Time) on the day of the scheduled payment date to cancel the payment.

ACCOUNT ACTIVITY 88 | STATEMENTS 11

ACCOUNT #	DESCRIPTION	DATE	ADDRESS
1340	Property Taxes	2020	1135 Yang Creek Portland
1344	Court Citation	2020	1051 Okuneva Mountains Salem
1350	Real Estate Taxes	2020	24443 Kuhn Curve Klamath Falls
1370	Utility Bill	2020	8153 Johns Square Klamath Falls

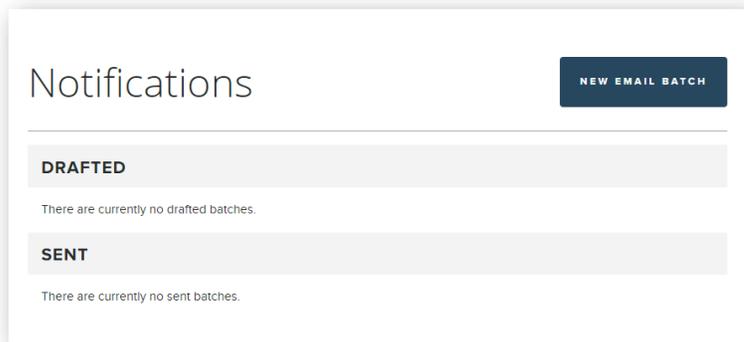
City of County
813-555-1212
Hours: Mon - Fri 8 AM - 5 PM EST
https://www.cityofcounty.com

Point & Pay Support
support@pointandpay.com

CUSTOMER NOTIFICATIONS VIA EMAIL OR TEXT

Point & Pay’s proposed solution provides an unlimited amount of customer notifications/alerts within the communications platform (listed below), and the system is able to send these alerts via email and/or text. Parish staff will be able to edit such notifications and customize the solution with our technical specialists during the configuration phase of implementation.

- Confirmation of account registration
- Enrollment in paperless billing
- Enrollment in recurring payments
- Reminder of a new eBill, regardless of frequency
- Scheduled payments
- Cancelled payments
- Confirmation of successful payments
- Confirmation of unsuccessful payments
- Declined payment methods
- Expired payment methods
- Invalid payment methods
- Email batch notifications (shown to the right) – limitless possibilities for staff to send notices to groups of customers with registered accounts, such as high balance delinquency, weather events, etc.



Email Batch Notification Options for Staff

The screenshot shows a configuration form for an email batch notification. It includes the following sections:

- SUBJECT LINE:** A text input field.
- RECIPIENT OPTIONS:** A dropdown menu currently set to 'All Billpayers With Email'.
- EMAIL BODY:** A rich text editor area showing bold (B), heading 1 (H1), and heading 2 (H2) options. Below this are several placeholder boxes for content, including one with a table structure:

NAME	ACCOUNT ID	ADDRESS
DUE AMOUNT	YEAR	
- Buttons:** 'CANCEL', 'PREVIEW', and 'SAVE' (dark blue) at the bottom.

MULTILINGUAL CAPABILITIES

Point & Pay’s proposed solution accommodates over 100 languages besides Spanish. In an effort to streamline the payment process for customers of any nationality, we embedded the Google Translate function within the user interface to make it simple for anyone. With just two clicks, the pages instantly update to display the customer’s native or preferred language throughout the entire payment process. We provide sample images in Spanish, since it is the second most used language in the country.

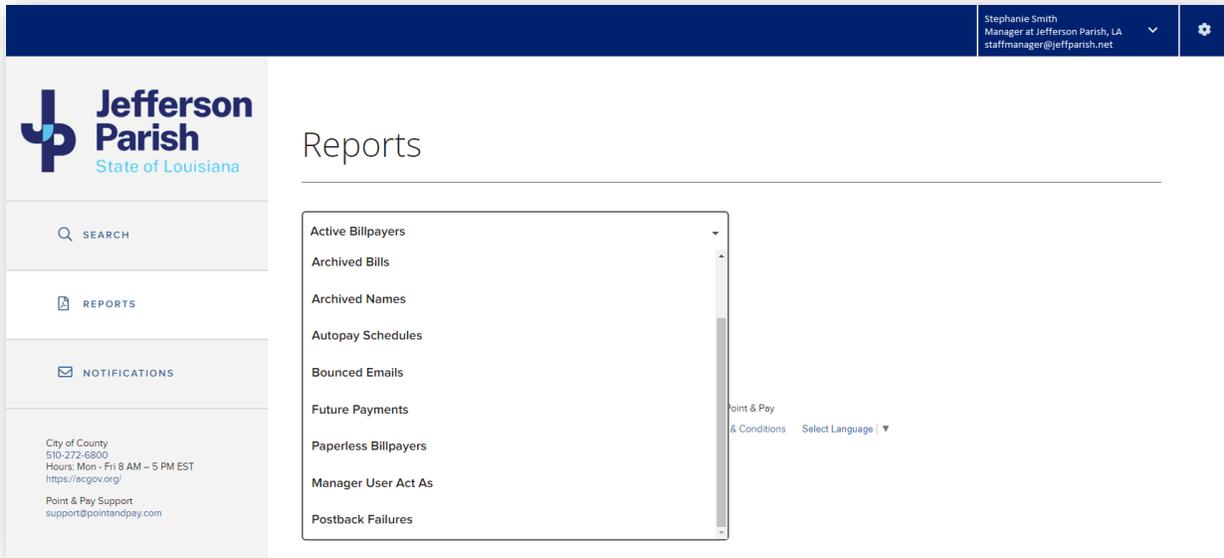


› Select Language	Bulgarian	Esperanto	Haitian Creole	Italian	Latvian	Myanmar (Burmese)	Scots Gaelic	Swahili	Welsh
Afrikaans	Catalan	Estonian	Hausa	Japanese	Lithuanian	Nepali	Serbian	Swedish	Xhosa
Albanian	Cebuano	Filipino	Hawaiian	Javanese	Luxembourgish	Norwegian	Sesotho	Tajik	Yiddish
Amharic	Chichewa	Finnish	Hebrew	Kannada	Macedonian	Pashto	Shona	Tamil	Yoruba
Arabic	Chinese (Simplified)	French	Hindi	Kazakh	Malagasy	Persian	Sindhi	Telugu	Zulu
Armenian	Chinese (Traditional)	Frisian	Hmong	Khmer	Malay	Polish	Sinhala	Thai	
Azerbaijani	Corsican	Galician	Hungarian	Korean	Malayalam	Portuguese	Slovak	Turkish	
Basque	Croatian	Georgian	Icelandic	Kurdish (Kurmanji)	Maltese	Punjabi	Slovenian	Ukrainian	
Belarusian	Czech	German	Igbo	Kyrgyz	Maori	Romanian	Somali	Urdu	
Bengali	Danish	Greek	Indonesian	Lao	Marathi	Russian	Spanish	Uzbek	
Bosnian	Dutch	Gujarati	Irish	Latin	Mongolian	Samoan	Sundanese	Vietnamese	

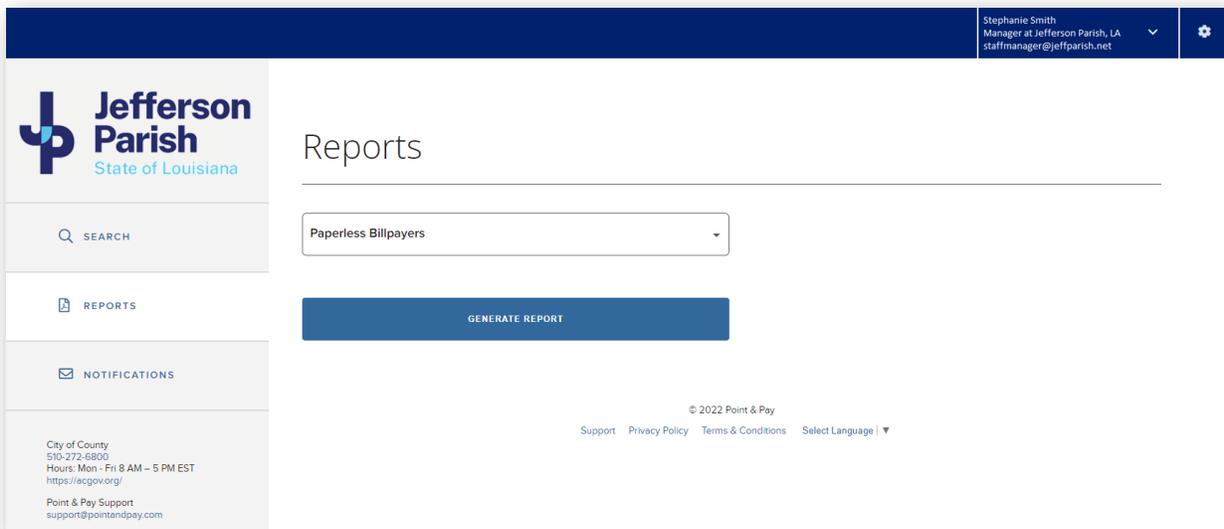


ENHANCED REPORTING OPTIONS

Our advanced online solution offers staff additional report options to monitor *Active Sms Settings*, *Future Payments*, *Autopay Schedules*, *Bounced Emails*, *Paperless Billpayers*, and *Active Billpayers*. After selecting the button 'Generate Report', the system automatically sends an email to their inbox in a spreadsheet format. The fields included within a report includes Account ID, Billpayer Name, Billpayer Email, Total Order Amount, Total Amount, Description, Order Created Date/Time, Order Scheduled Date, Order Cancelled Date, Payment ID, and Error Message (if applicable).



Multiple Options for Report Tracking



1.1.B IN-PERSON PAYMENTS WITH TAP-N-GO TECHNOLOGY

Point & Pay’s proposed approach to Point of Sale (POS) processing for the Parish is to present available products to enable in-person payment acceptance for all Parish departments. Regardless of the Parish’s choice, all hardware terminals (*specifications enclosed*) support real-time transaction posting and account balance updates, along with using devices that handle chip cards, accept ApplePay, SamsungPay, and other digital wallets. We also offer a library of additional options to facilitate future enhancements.

Point & Pay offers a full-featured cloud-based interface via our *Workbench* (virtual terminal) for fast, easy, in-person checkout. Staff can access the application by login/password and it connects to payment peripherals, including PCI-encrypted card-readers, stand-alone terminals, and printers.

With the option of using Point & Pay’s virtual interface combined with our stand-alone or integrated terminals, we are able to load the POS software and inject the encryption keys to enable payment acceptance with the Parish’s cashiering application. Once terminals arrive, we conduct the physical installation and connectivity configurations, if preferred.

If the Parish prefers an API gateway, we can expose an API generated by external software, terminals, or other checkout applications. In this way, the Parish can utilize existing systems or preferred hardware while still taking advantage of our processing capabilities and integration benefits.

Features of in-person services include:

- ✓ PCI-validated P2PE certified encryption controls
- ✓ Unique approach to handling convenience fee transactions
- ✓ Electronic access to support functions like voids, refunds, etc.
- ✓ Options for installation/configuration support



Ingenico Desk 3500 (above)

IDTech VP8300 (below)



1.1.C IVR SOLUTION FOR CUSTOMER SERVICE AUTOMATION

Point & Pay’s IVR provides an interactive customer engagement process that enables clients to deliver excellent customer services. We recognize speed and consistency in making payments by phone are key to increasing customer satisfaction. To facilitate IVR capabilities, Point & Pay develops a unique toll-free phone number and customizable script for the Parish that offers numerous configurable elements to capture the required fields for validating the customer’s information. We can also accommodate multiple language preferences, such as Spanish and Russian.

Our IVR solution accepts all credit cards, debit cards, electronic checks, and provides real-time payment posting to the Parish’s accounting systems. It also offers a universal integration infrastructure that provides staff with instant access to view payments made by phone.

This self-service feature delivers automatic phone payment data and ultimately reduces costs for the Parish. Below, we outline the customer-facing functionality that can be integrated via a real-time API, file exchange, or Hook/Flash customer handoff with the Parish’s solution.

- 1 The customer dials a unique toll-free phone number created for the Parish;
- 2 An automated attendant uses clear and simple prompts to present specific bill information;
- 3 The customer is able to authorize and submit the payment during the final step; and
- 4 The customer receives a unique confirmation number and an emailed copy of the receipt.

The IVR solution features benefits, such as:

- ✓ Touch-tone or speech/voice recognition
- ✓ Ensures the highest level of data security by transmitting through a PCI Level 1 provider
- ✓ Custom scripts with professional voice talent
- ✓ Ability to rapidly expand phone bandwidth through a virtual, cloud-based solution



1.1.D ONLINE ADMINISTRATIVE MANAGEMENT TOOLS

2. *Online features of the merchant account management software - The vendor should highlight how the merchant account is managed by the accounting/finance functions. For example, describe all the tools and methods for viewing transactions/batches, changing account information, responding to charge backs, user management, etc.*

Point & Pay’s administrative *Workbench* functionality provides Parish users with access to a wide array of online features for management by the accounting group. Designated staff will be able to access the payment platform in real time and perform through several efficient functions referenced below.

- Manage customer information
- Manage billing/communication preferences
- Make payments or configure recurring payments
- Process in-person payments
- Manage permissions, passwords, and unlocking users
- Enroll, validate, and activate customers
- Request service or request service termination
- Manage outbound communications
- Voids, refunds, and receipt retrieval
- Contacting customers
- Manage “exclusions” (e.g. blacklists)
- Reconciliation, reporting, and individual payment tracking tools

ROLE-BASED ACCESS FOR REPORT & TRANSACTION MANAGEMENT

Point & Pay’s *Workbench* is username/password accessed with a role-based permission system that controls the content and functionality available to users. Generally, tasks and functions are aggregated into categorical roles (e.g. supervisor, accounting, etc.), but individual functional permissions can also be dictated. Additionally, the Parish can manage all of the permissions from a hierarchical perspective. As an example, Point & Pay can configure administrative accounts to view activity across all of the sub-divisions/payment types, but a manager configured to a lower tier in the hierarchy would only see activity related to their area. In the same way, individual representatives can be limited only view activity they have performed.

	Accounting	Admin	Clerk	Supervisor
Payments				
Make a Payment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Void a Payment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Refund a Payment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reports				
Payment Report - New!	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payment Report Old	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Upcoming Payments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payment Time	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
User Activity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Recurring Enrollments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payment Activity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Admins				
Change Office	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Change Password	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
My Messages	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
User Manager	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DMV				
Review Queue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Management of System Access and Reporting

PAYMENT SEARCH FUNCTIONALITY & DISPLAY OF PAYMENT HISTORY

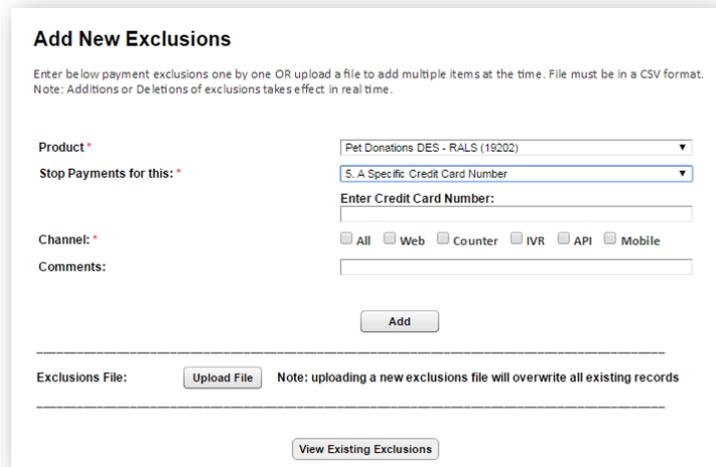
Point & Pay’s system provides users with the ability to search for payment in real time to view current and past payment data. From the *Payments* drop-down menu, staff and other designated users are able to search for payments in several ways, such as Payment ID, Account Number, Credit Card Number, total amount, payment amount, customer name, and approval code. Our solution stores account information securely within our environment for a period of two (2) years and this data is available to clients immediately via our online tools.



Payment Search Functionality

EXCLUSION MANAGER

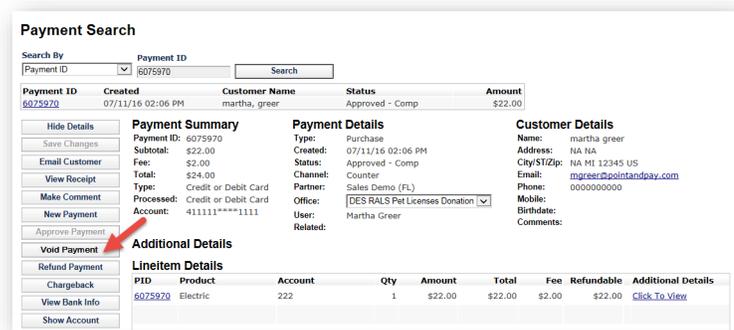
With the *Exclusion Manager*, our solution enables clients to exclude or reject all payment types, checks, credit cards, bank account number, routing numbers, and specific credit card numbers. This function also allows clients to reduce returned items, manual handling, and reduce customer service issues by providing a method of rejecting undesirable data elements during the pre-authorization validation process. Designated users have the ability to add records via manual entry or file upload, as well as the ability to view existing exclusions.



Configuration Screen for Exclusion Manager

SAME-DAY VOID

Within our robust *Workbench* tool, there are permission-controlled functions for voids, including authorization release. Designated staff with the appropriate access level can void a payment the same day a customer submits it. Parish staff can do this by searching for the customer’s name or confirmation number and then selects the option to void it; the system then prompts the user to confirm the action. The process of voiding a payment happens in real-time and posts to the report immediately. Furthermore, a void implies that no funds will debit from the customer’s card/account.



Void Payment

PARTIAL OR FULL REFUNDS

Point & Pay offers real-time access to refund processing across the enterprise through our administrative *Workbench* tool. Designated Parish staff can view transaction details and select the void or refund options appropriate to the transactions in question. We can also restrict access to the void/refund functions to specific permissions within the user hierarchy.

Our system is designed intelligently to manage partial refunds for complex shopping carts, and tracks all refunds against a particular order and prevents refunds that would exceed the initial transaction amount. Our system also captures reason codes and the credentials authorizing the refunds. Using our search interface, designated staff can view transaction details and select the refund options appropriate to the transactions in question.

- 1 The “Refunds” button is the same for both full and partial refunds.
- 2 Once that button is selected, the refund screen will open in a separate internet browser tab.
- 3 The system will display all line items for the payment, except fee lines.
- 4 The user then selects a full or partial refund.

The screenshot shows a refund selection form. At the top, it displays 'Original Payment Value: 1,500.00' and 'Refundable Amount: 500.00'. Below this are two radio buttons: 'Refund in Full' (which is selected) and 'Partial Refund'. Underneath is a dropdown menu labeled 'Reason for Refunding' with 'Customer Error' selected. Below the dropdown is a text area labeled 'Additional Comments'. At the bottom of the form are two buttons: 'Refund' and 'Cancel'.

Options for Partial and Full Refunds

For a Full Refund, the user selects a reason for the refund and has the ability to enter comments. For a partial refund, the user enters the amount to refund and refunds are allowed at the line item level.

CHARGEBACK/DISPUTE PROCESS

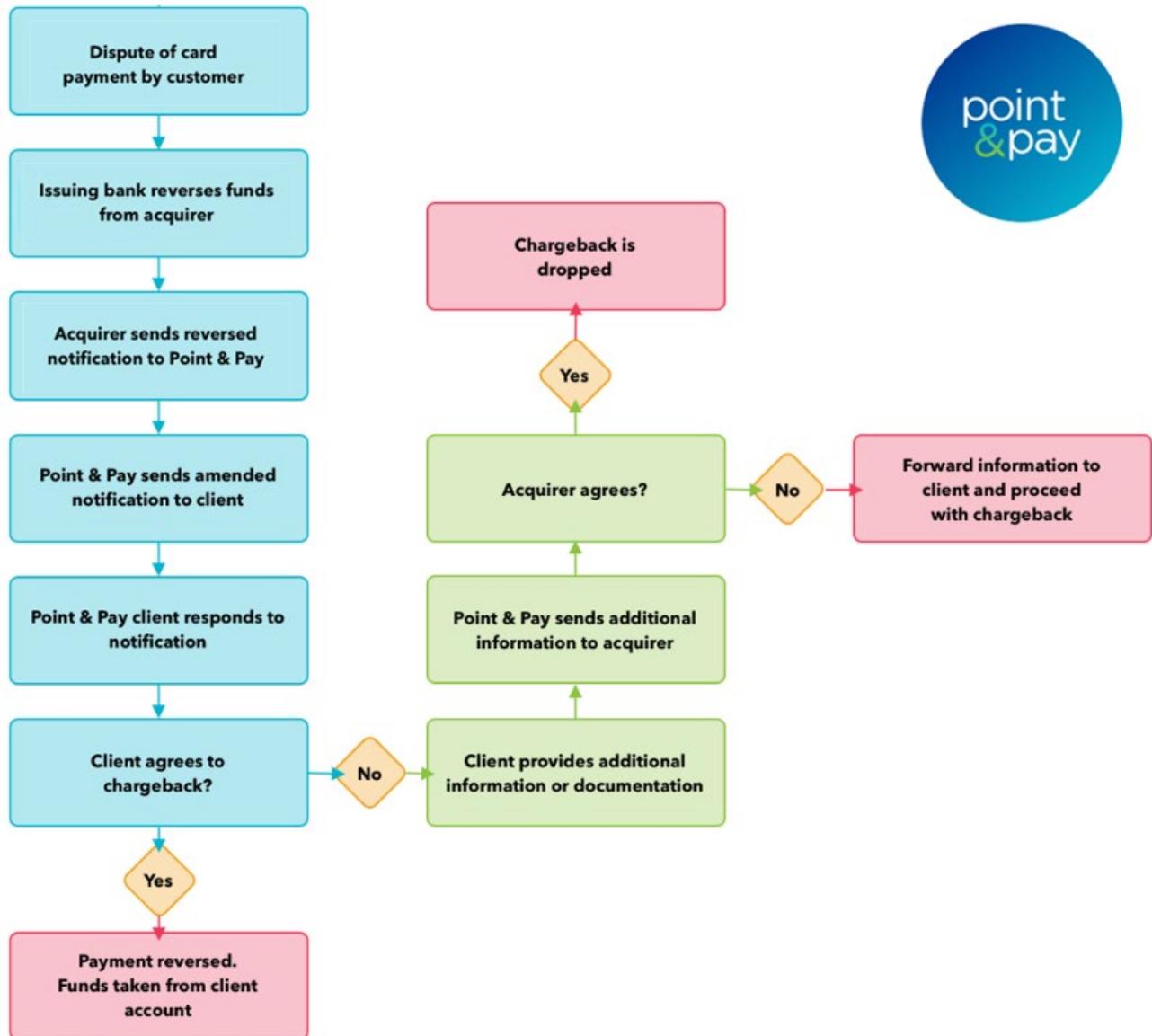
Point & Pay receives chargebacks in two categories:

- **Allocation** chargebacks are related to authorization and/or fraud, and we process those immediately, or as soon as we receive notification through our CRM system.
- **Collaboration** chargebacks are related to processing errors, customer disputes, or similar, and we handle these requests in an overnight process.

As soon as Point & Pay receives notification of a chargeback, the customer has received a temporary credit. Our standard procedure is to notify the merchant the same day we receive the chargeback. Less than 1% of all Point & Pay transactions are chargebacks. The internal process involves handling first-level follow up with the agency by sending a detailed email about the chargeback and within 10 days of that notification, our system will reverse it.

Staff can view the reversal on the payment report and the payment details section displays it specifically as a chargeback. The Parish can dispute chargebacks in the same manner by providing us with the

appropriate documentation, as well as the necessary signatures. Point & Pay will always submit the full set of technical transaction information that we capture for all payments. We submit this supporting documentation on behalf of the Parish and continue to communicate the outcome to Parish representatives. During this time, we hold the reversal until all associated actions are complete. Current card association guidelines indicate a chargeback resolution timeframe of 30 days and our overall process fits well within the 30-day cycle.



1.1.E ROBUST, REAL-TIME REPORTING COMPONENT

Point & Pay’s suite of robust, real-time reporting tools enables all the requested details, filters, and parameters to provide real time/ad hoc reporting, file-based reporting, and our API supports querying capabilities. As a SaaS payment solution, our reporting component does not require a specific software product to receive and view reports. All reports are available in real-time and accessed on the internet via a secure browser. Designated users can create instant, online reports based on the following data fields: 1) Date range, 2) Product (i.e., payment types), Channel (online, IVR, POS), Status, Payment method, Office location, and Settlement/deposit data.

We are able to deliver daily payment files to designated users, as well as, make online reports available for immediate download in Excel, CSV, HTML, PDF, and other formats. We can also customize batch or end-of-the-day reporting to fit the needs of each Parish and ensure we satisfy all specific report requirements, including access rights and appropriate permissions for all employees. The system manages an unlimited hierarchy and control settlement and reporting per client instructions from any tier of that structure.

Point & Pay also includes ad hoc reporting as a standard part of our account management service and is available to Parish users 24/7. We utilize Salesforce’s excellent “Service Cloud” package for case management, ticket tracking, incident reports, document tracking, and operation management practices. The ad hoc reporting tools in Salesforce are outstanding because they feed into dashboards for tracking concerns like case load, aging, pattern recognition, and other performance improvement activities.

DATA RETENTION AND STORAGE

As a standard, Point & Pay is able to present historical data online for immediate access for up to two years prior. Beyond that, we can provide the Parish with additional historical report information within 24 hours of request. The Parish simply sends an email to the account relationship team explaining the request. Point & Pay’s standard retention period for transactions logs includes storage for a minimum of seven (7) years, in accordance with industry rules and regulations.

CUSTOMIZED REPORTING OPTIONS

Point & Pay’s reporting component is comprehensive and customizable. During implementation, our technical team can customize flexible configurations for the Parish’s reports to “roll up” or “drill down” directly within the online reporting tool by selecting various levels of report parameters customized for content, format, and frequency.

The system is also able to map MIDs and deposit configurations to individual payment types, and the payments and records are perpetually linked for all secondary service interactions like voids, refunds, etc. The Point & Pay system is able to manage an unlimited hierarchy and control settlement and reporting per client instructions from any tier of that structure.

Since Point & Pay’s reporting component is available in real-time, we can transmit transaction level detail reporting to the Parish at any preferred timing schedule, as well as send these reports to designated staff via email and/or via our SFTP web service. We are able to deliver daily payment files to designated users, as well as, make online reports available for immediate download in Excel, CSV, HTML, PDF, and other formats.

File Generator

Step 2 - Revenue File Information (* Required)

Partner Name: SampleClient2_FL_5765

Job Name*:

Product(s)*: ▼

Channel(s)*: Select all

Payment Method(s)*: PnP Fee

Format*: Property Taxes

Channel(s)*: Vacant Lot Registration

Payment Method(s)*: Select all

Format*: IVR

Activation Field*: WEB

Schedule On*: Counter

Please select how the R: Call Center

Push to Partner via: Mail-in

File Name*:

Payment Method(s)*: Select all

Format*: Credit or Debit Card

Activation Field*: Electronic Check

Schedule On*: ▼

Payment Method(s)*:

Format*: ▼

Schedule On*: ▼

Please select how the R: First day of Month

Push to Partner via: Weekdays

File Name*: Daily

Sunday

Monday

Tuesday

Wednesday

Thursday

Friday

Saturday

Please select how the Revenue File will be shared with the partner*:

Push to Partner via:

File Name*:

Custom Report Parameters

The sample payment report on the following page allows for flexible grouping and filtering parameters where the Parish can run them on an enterprise-level or in segregation and it displays the details for each group/filter.

Payment Report

Start Date: Feb 1 2017 Start Time: 12:00 AM End Date: Feb 7 2017 End Time: 11:59 PM

Office: No Filter User: No Filter Product: No Filter Channel: No Filter Group By: User Payment Type: No Filter Payment Method: No Filter

Update Report Download to Excel Print Report

Channel: Counter

Pay Id	Method	Type	Status	Date	Account	Product	Name	Pmt Amt
29647650	Credit or Debit Card - MasterCard	Purchase	Approved - Comp	02/01/2017 08:07 AM	11700065400	Taxpayer Payments	Geneva Williams	\$31.65
29655136	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/01/2017 11:16 AM	0950002003200	Taxpayer Payments	JULIA R WOLF	\$114.02
29656225	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/01/2017 11:37 AM	05406	Taxpayer Payments	BRENDA K BERGER	\$52.20
29662723	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/01/2017 01:55 PM	2210013005000	Taxpayer Payments	BALELE BAIMOUNI	\$28.71
29663204	Credit or Debit Card - MasterCard	Purchase	Approved - Comp	02/01/2017 02:05 PM	1190002044500	Taxpayer Payments	SYLVIA RAIBON	\$713.89
29666723	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/02/2017 12:04 PM	371268	Taxpayer Payments	OLIVER H MCGUIRE	\$677.66
29687770	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/02/2017 12:29 PM	540-0071-0311-00	Taxpayer Payments	Harold Erdmann	\$553.33
29691150	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/02/2017 01:51 PM	195-0028-0006-00	Taxpayer Payments	Iris Montgomery	\$778.56
29691150	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/02/2017 01:51 PM	590-0370-0002-00	Taxpayer Payments	Iris Montgomery	\$123.74
29691150	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/02/2017 01:51 PM	590-0370-0095-00	Taxpayer Payments	Iris Montgomery	\$126.79
29708579	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/03/2017 09:13 AM	602838	Taxpayer Payments	VIANEY FABELA	\$617.82
29709415	Credit or Debit Card - MasterCard	Purchase	Approved - Comp	02/03/2017 09:32 AM	031152	Taxpayer Payments	THERESA BONNER	\$100.00
29716252	Credit or Debit Card - MasterCard	Purchase	Approved - Comp	02/03/2017 11:44 AM	2360003008700	Taxpayer Payments	AMELIA MAYS	\$546.50
29720949	Credit or Debit Card - MasterCard	Purchase	Approved - Comp	02/03/2017 01:12 PM	111692	Taxpayer Payments	SONDRA MOORE	\$241.21
29726707	Credit or Debit Card - Visa	Purchase	Approved - Comp	02/03/2017 03:03 PM	1950033013200	Taxpayer Payments	RYAN O CHALK	\$100.26
29651821 (29505206)	Refund	Returned Echeck	Paid by Partner	02/01/2017 10:06 AM	590-0201-0314-00	Current Half Payment	Rosalind F Walter	(\$930.41)
29651832 (29505409)	Refund	Returned Echeck	Paid by Partner	02/01/2017 10:06 AM	590-0201-0328-00	Current Half Payment	Rosalind F Walter	(\$78.02)
29651887 (29551019)	Refund	Returned Echeck	Paid by Partner	02/01/2017 10:07 AM	600-0230-0074-00	Current Half Payment	Ronald R White	(\$1,674.97)
29701176 (29538241)	Refund	Returned Echeck	Paid by Partner	02/02/2017 06:57 PM	599-0042-0091-00	Current Half Payment	Merritt W Reece	(\$687.36)

Channel Summary	Count	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer
Credit Card Payments	15	\$4,959.75	\$4,836.34	\$123.41	\$0.00	\$4,836.34
eCheck Payments	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Refunds	4	(\$3,376.76)	(\$3,376.76)	(\$6.00)	\$0.00	(\$3,370.76)
Total	19	\$1,582.99	\$1,465.58	\$117.41	\$0.00	\$1,465.58

The system can also display this report for all payment channels.

Channel: Counter

Channel Summary	Count	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer
Credit Card Payments	15	\$4,959.75	\$4,836.34	\$123.41	\$0.00	\$4,836.34
eCheck Payments	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Refunds	4	(\$3,376.76)	(\$3,370.76)	(\$6.00)	\$0.00	(\$3,370.76)
Total	19	\$1,582.99	\$1,465.58	\$117.41	\$0.00	\$1,465.58

Channel: IVR

Channel Summary	Count	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer
Credit Card Payments	52	\$40,025.27	\$39,039.29	\$985.98	\$0.00	\$39,039.29
eCheck Payments	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Refunds	6	(\$6,642.22)	(\$6,480.22)	(\$162.00)	\$0.00	(\$6,480.22)
Total	58	\$33,383.05	\$32,559.07	\$823.98	\$0.00	\$32,559.07

Channel: WEB

Channel Summary	Count	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer
Credit Card Payments	152	\$165,268.97	\$161,224.71	\$4,044.26	\$0.00	\$161,224.71
eCheck Payments	224	\$1,220,193.54	\$1,219,857.54	\$336.00	\$0.00	\$1,219,857.54
Refunds	2	(\$383.03)	(\$372.76)	(\$10.27)	\$0.00	(\$372.76)
Total	378	\$1,385,079.48	\$1,380,709.49	\$4,369.99	\$0.00	\$1,380,709.49

Report Totals

Summary	Count	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer
Credit Card Payments	219	\$210,253.99	\$205,100.34	\$5,153.65	\$0.00	\$205,100.34
eCheck Payments	224	\$1,220,193.54	\$1,219,857.54	\$336.00	\$0.00	\$1,219,857.54
Refunds	12	(\$10,402.01)	(\$10,223.74)	(\$175.27)	\$0.00	(\$10,223.74)
Total	455	\$1,420,045.52	\$1,414,734.14	\$5,314.38	\$0.00	\$1,414,734.14

Time until logout: 3h 59m

Payment Report

Start Date Start Time End Date End Time Partner
Oct 24 2016 12:00 AM Oct 24 2016 11:59 PM No Filter

Office User Product Channel Group By Payment Type Payment Method
No Filter No Filter No Filter No Filter Channel No Filter No Filter

[Update Report](#) [Download to Excel](#) [Print Report](#)
Text Size: [Small](#) [Medium](#) [Large](#)

5 records found matching your search criteria.

Channel: WEB

Pay Id	Method	Type	Status	Date	Account	Product	Name	Fee	Pmt Amt
6081355	Credit or Debit Card - Visa	Purchase	Approved - Comp*	10/24/2016 05:24 AM	196	Law Library Services	test t	\$2.00	\$12.00
6081356	Credit or Debit Card - Visa	Purchase	Approved - PCB*	10/24/2016 06:06 AM	196	Law Library Services	test t	\$2.00	\$12.00
6081357	Credit or Debit Card - Visa	Purchase	Approved - PCB*	10/24/2016 06:23 AM	208	Law Library Services	test t	\$2.00	\$1.00
6081358	Credit or Debit Card - Visa	Purchase	Approved - PCB*	10/24/2016 06:30 AM	207	Law Library Services	test t	\$2.00	\$1.00
6081359	Credit or Debit Card - Visa	Purchase	Approved - PCB*	10/24/2016 06:43 AM	208	Law Library Services	test t	\$2.00	\$1.00

Channel Summary	Processor Settlement				PNP Settlement				Debit			Total							
	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer	Fee Settled by Processor	Fee Settled by PNP	Fee Total	Count	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer
Credit Card Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37.00	\$27.00	\$10.00	\$0.00	\$27.00	\$0.00	\$0.00	\$0.00	5	\$37.00	\$27.00	\$10.00	\$0.00	\$27.00
eCheck Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Refunds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37.00	\$27.00	\$10.00	\$0.00	\$27.00	\$0.00	\$0.00	\$0.00	5	\$37.00	\$27.00	\$10.00	\$0.00	\$27.00

Report Totals

Summary	Processor Settlement				PNP Settlement				Debit			Total							
	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer	Fee Settled by Processor	Fee Settled by PNP	Fee Total	Count	Receipt	Payment	Customer Paid Fee	Partner Paid Fee	Transfer
Credit Card Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37.00	\$27.00	\$10.00	\$0.00	\$27.00	\$0.00	\$0.00	\$0.00	5	\$37.00	\$27.00	\$10.00	\$0.00	\$27.00
eCheck Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Refunds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37.00	\$27.00	\$10.00	\$0.00	\$27.00	\$0.00	\$0.00	\$0.00	5	\$37.00	\$27.00	\$10.00	\$0.00	\$27.00

Returns & Fees

Total Returns & Fees: \$0.00

Fees Summary

Deposit Summary

Expected Deposit on 10/27/2016

Agency Account #	Originator	Payment Method	Deposit Amount
Hamilton County Law Library (OH) XXXX5382	PNP	All	\$27.00
PNP Total:			\$27.00
Total:			\$27.00

Grand Total PNP: \$27.00
Grand Total: \$27.00

3. Merchant account - management software must be able to identify sub departments in transactions or multiple accounts.

With our web portal platform, Jefferson Parish will have flexibility to mirror its own organization through the five (5) hierarchy levels shown in the following pyramid. Not every merchant needs a corporate level, but in some cases, the merchant will have multiple hierarchical entities at each level. We use a unique 4-part key (4PK) value to associate each transaction down to the web page (or device) level where it originated. In addition to the processing hierarchy, our gateway services allow unlimited account “chaining” which allows for further hierarchy manipulation within the 5-tier MID merchant structure.

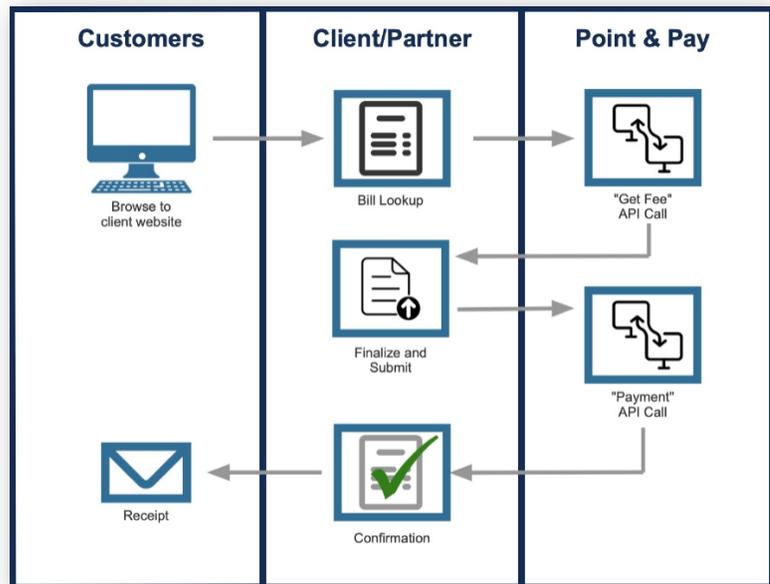
This enterprise approach of boarding merchants allows them to take advantage of our multi-tier reporting and provides the ability to add and edit MIDs and TIDs as needed at any hierarchy level. In addition to standard merchant-level funding, we can roll up billing and funding to the Corporate and Division levels. Jefferson Parish will be able to set up a reporting hierarchy to view settlement funds as one lump sum, or as individual deposits. However, processing could be affected if the merchant misses the settlement window for a specific day, causing a one-day delay in the settlement of their funds. Transactions occurring on Saturday and Sunday will post on Monday; and we are able to report on these weekend transactions separately, if desired. Settlement backup data can be pulled from the reporting tool or delivered via FTP in CSV, XML, or tab-delimited formats.



4. Merchant service provider is asked to provide application programming interface (API) for the debit/credit card processing that is .NET based and can be imbedded in any Jefferson Parish .Net application software.

Point & Pay possesses extensive experience building and supporting API interfaces for inbound and outbound data exchanges for government clients nationwide. We have a comprehensive API library that we expand continually, and we use these well-documented APIs to create robust interfaces between our products and our clients' financial management systems. With our own front-end technologies, coupled with our extensive integration resources, Point & Pay will utilize its extensive library of integration products and methodologies to build an overall integration strategy that delivers a consistent, easily maintained approach to data exchange across applications while allowing for the unique components necessary for individual applications.

The Point & Pay *API Payments Gateway with Tokenization* that allows for fast, efficient, and secure payment processing by using single-use tokens to store a depiction of the customer's card data. It also accepts payments from any user interface, performs calls for fee calculation, and supports transaction querying based on a variety of inputs, including date ranges. We are able to configure the data associated with transactions using an unlimited quantity of client defined fields and attributes.



Our *API Connectors* provide real-time bill/balance lookup, customer information lookup, post payment notifications, and custom behavior flags (i.e., budget billing, escrow, restrictions, etc.). One of our advanced integration techniques involves developing custom API connectivity modules.

The REST endpoints for one of Point & Pay's API include the following.

- **SecurityResource** is used to perform authentication and get an access token. An access token is used for all other requests.
- **ParameterTokenization** is for parameter storing and retrieving.
- **SaleEndPoint** is used for requesting a payment.
- **QueryEndPoint** is used for retrieving the status of a payment request.
- **PaymentTokenEndPoint** is used to manage payment tokens.

5. Merchant service provider must also be able to work with other Parish Vendors to develop APIs between their payment system and service delivery or billing software.

Point & Pay understands and complies; we provide additional information in the preceding response.

6. All software (API) provided must be PCI compliant.

Point & Pay is both PCI-DSS Level 1 and SSAE 18/SOC 1 Type II compliant. We understand the importance of ensuring our clients' financial data is kept secure and believe a holistic approach is the best posture to ensure card data security. Our focus is to uphold the highest level of security to exceed the needs of our clients.

We are active participants in the PCI Council and other industry associations where we discuss common security concerns like NACHA, the ETA, NACO, and NACTFO. Through discussion groups, newsletters, and publications available, we are able to keep ahead of the published standards. North American Bancard also employs a compliance group that tracks all aspects of transaction processing compliance and sets corporate policies and procedures to ensure good standing with the PCI Council, NACHA, and all card associations.

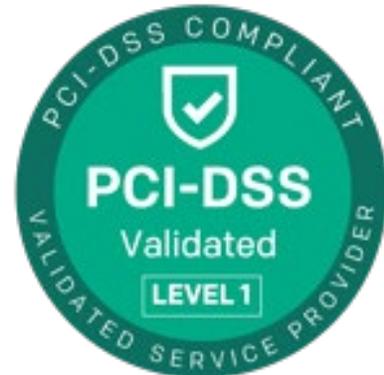
Point & Pay has also pioneered several payment acceptance methods that help merchants dramatically reduce their PCI compliance burdens. We operate an independent compliance service through the brand and we offer robust scanning and SAQ services. In addition to these compliance tools, we engineered our solutions to reduce scope.

Wherever possible, Point & Pay suggests to:

- Utilize solutions that hand customers off to Point & Pay for critical processing steps
- Use tokenization strategies instead of storing card information
- Use PCI-encrypted solutions to prevent clear text transmission across the Parish's networks
- Use embedded solutions for working within existing cashing solutions

7. All payments made by a customer must be immediately deposited directly into a designated Parish bank account through a Parish-approved banking partner, and at no time would flow through the Contractor's bank account.

Point & Pay understands and complies with this requirement.



2 PROPOSER QUALIFICATIONS AND EXPERIENCE

History and background of Proposer, including but not limited to status with related services to government entities existing customer satisfaction, demonstrated volume of merchants, etc.

Since 1999, Point & Pay has developed unique payment solutions for online, phone, in-person, and mobile technologies that present bills, capture payments, and post, settle, and reconcile via centralized points of integration, with the highest security standards and compliance as their foundation. We are proud to serve as the chosen payment provider for more than 5,000 government clients nationwide. We combine the strengths of our best-in-class team within our family of companies as described below.

- Point & Pay is a specialized and holistic provider of payment processing services to government agencies, inclusive of traditional merchant services, core processing services, gateways, fully hosted solutions, and convenience fee processing. Surrounding these competencies, we are experts in project management, integration, and client/customer service functions that make payment technologies work seamlessly for governments.
- EPX, our sister company, offers a technology-oriented transaction processing platform specialized in tailoring the processor experience to the needs of large merchant portfolios.
- North American Bancard (NAB), our corporate parent, specializes in direct acquiring services and efficient hardware deployment. Recently awarded ISO of the Year at the 2022 Electronic Transaction Association (ETA) conference, they deliver a diverse portfolio of proprietary mobile technologies and founded the award-winning Payanywhere brand of mobile payments. NAB also achieved 1st place recognition in 2021 for the Ecommerce Merchant Experience by payment data experts, the Strawhecker Group.



As part of the NAB family, Point & Pay serves our client/partners as an *All-in-One* provider that consolidates all functions – gateway, acquirer, processor and engagement – in a typical government payments workflow. For two decades, we have delivered secure, reliable, easy-to-use and cost-effective acceptance, processing and support services to enable electronic payments, including credit cards, debit cards, and e-checks, while helping each client achieve PCI compliance.



Collectively, we provide secure, end-to-end encrypted payment solutions for agencies at all levels. We understand the unique challenges faced by governments and are able to facilitate service transitions quickly. If an existing processing solution is in place, we are able to integrate seamlessly and successfully, avoiding disruption to customers, yet making the payment process more secure and effective. We are pleased to offer a flexible approach in delivering a best in class payments solution that provides convenient customer experiences and efficient operations.

2.1 CLIENT REFERENCES

1. *Proposers shall provide a detailed statement of related services to government entities or private entities which identifies customer satisfaction, demonstrated volume of merchants, etc. Proposer must provide a detailed description of customer service capabilities, including resumes of personnel assigned, total number of personnel and timeline of customer inquiries and complaints, as applicable.*

We are proud to serve as the chosen payment provider for more than 5,000 government clients nationwide. We are also proud to share that we were recently awarded contracts to provide merchant card and electronic payment services for the State of Louisiana, Department of Revenue and multiple departments within the State of New Mexico hierarchy. Their implementations are currently underway and progressing positively.

We are proud of our prominent presence with governments nationwide and provide a sample of notable client references in the following pages for the Parish to contact.

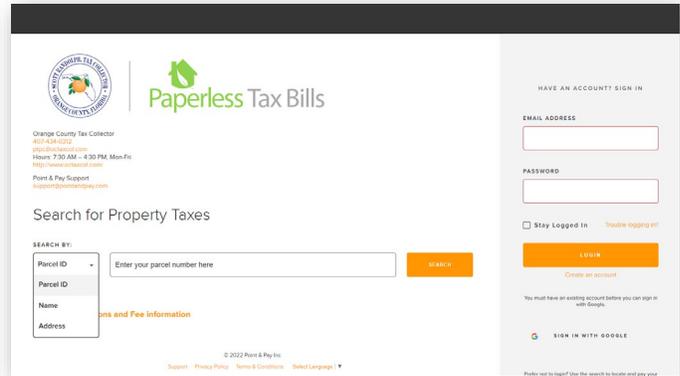


ORANGE COUNTY, FLORIDA (ORLANDO METRO)

Contact & Title: Eddie Ayala, Director of Communications

Phone: [407.463.3106](tel:407.463.3106) | Email: EAYala@octaxcol.com

Project Summary: Point & Pay has been providing multiple payment solutions to Orange County Tax Collector’s Office since 2013. Serving more than one million customers, Point & Pay provides the county with integrated payment processing services for both their Tax division and DMV offices for auto tag renewals with the option to purchase specialty license plates for numerous Florida charities and other organizations. We have also implemented custom settlement and reconciliation processes and universal cashiering solutions.



Tax Collector Bill Pay Home Page

Testimonial: *“Overall, we are extremely pleased with the level of professionalism, ingenuity, and service that we have received from Point & Pay. They guaranteed we would be up and processing within 30 days of signing, which we thought was very ambitious. They delivered.”*

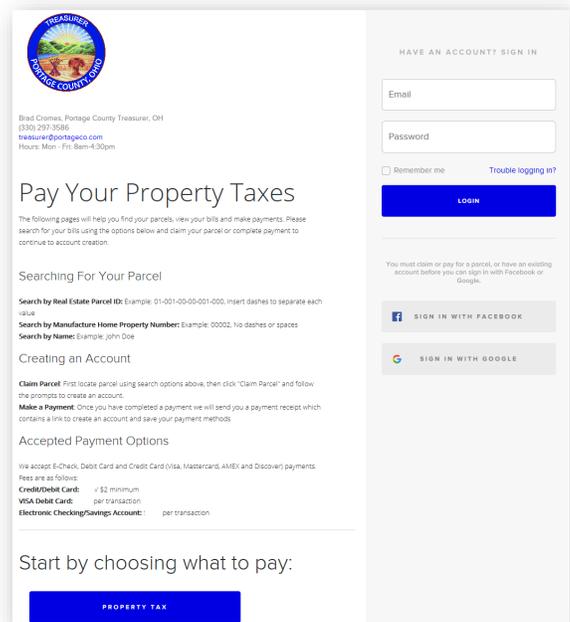
PORTAGE COUNTY, OHIO

Contact and Title: Brad Cromes, Treasurer

Phone: 330.297.3586 | Email: bcromes@portageco.com

Project Summary:

In April 2017, Point & Pay acquired the Portage County Treasurer’s Office through competitive bid solicitation. They chose our **BillPay** solution via an API integration, which provides the County’s taxpayers with electronic billing and payment options. Registered users have access to a wide array of account functionality, such as the option to have paperless bills emailed, set up recurring payments, future-dated payments, etc. We also provide Portage County with our IVR/phone and In-person/counter solutions. Most recently, Point & Pay was awarded the contract for implementing the latest version of our **BillPay** solution that will enable customers to pay for both tax and utility payments from the same dashboard. The contract also includes enabling our standard responsive web solution for all other departments.



Portage County Online Payments

DAVIDSON COUNTY, NORTH CAROLINA

Contact & Title: Christy Morrow

Phone: [336.242.2176](tel:336.242.2176) | Email: christy.morrow@daavidsoncountync.gov

Project Description: Point & Pay has served Davidson County, North Carolina since June 2013. At that time, we implemented online, IVR, and point-of-sale payment acceptance for the County's customers to pay their annual real estate and property taxes. We also provide the County with our IVR and POS/Counter payment solutions for those needing to pay for building and other miscellaneous permit fees.

Testimonial: *"We are extremely pleased with Point & Pay's services as a whole for both our staff and taxpayers. Transitioning to the new payment solution went very smoothly and both our IT department and their team worked well together. Point & Pay's online solution is extremely user friendly and many customers have relayed positive remarks. They more than met Davidson County's expectations and I would highly recommend Point & Pay's services for processing credit/debit card payments."*

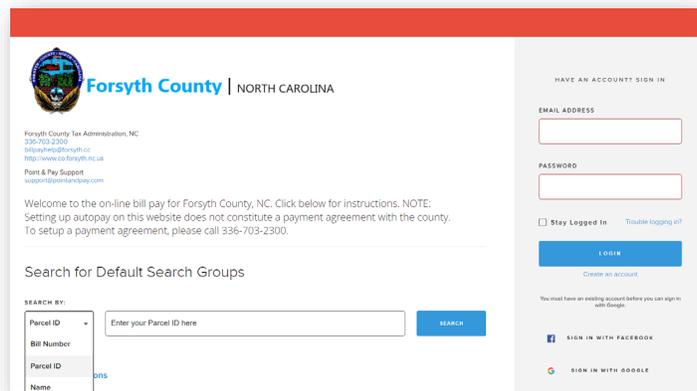


FORSYTH COUNTY, NORTH CAROLINA | TAX ADMINISTRATION

Contact & Title: Nolan Lawson, Special Projects Manager

Phone: [336.703.2307](tel:336.703.2307) | Email: lawsonnj@forsyth.cc

Project Description: Point & Pay provides Forsyth County with our *BillPay* platform accepting payments for all tax transactions via online and through mobile devices. We also provide them with in-person/POS and phone/IVR payment capabilities. Point & Pay integrated with the County's tax application (Farragut Software) and produces reports that are emailed daily, as well as, ad hoc transactional reporting. In collaboration with the County, we have also developed ways to migrate taxpayers to enroll in paperless billing to ultimately drive digital bill presentment to speed collections, reduce paper resources, and unnecessary mail for customers.



Online Payments

2. *Proposer shall provide resumes for account manager(s), designated customer service representative(s) and any and all key personnel anticipated to be assigned to this project, in addition to resumes of any and all subcontractors.*

Point & Pay's project team possesses over 30 years' experience in delivering, implementing, and managing large-scale projects for government agencies nationwide. The core members of the project team for the Parish are involved in key phases of the project to include solution assessment, requirements development and finalization, UAT and Go-Live. These individuals involve a primary program manager, implementation project managers, and multiple technical specialists.

Providing the necessary staff and resources is of utmost importance to us; therefore, we assign the following highly skilled, key project personnel dedicated to the Parish's project.

- Yvette Urso – Program Manager
- Mark Hooker – Primary Account/Relationship Manager
- Mike Mooney – Strategic Account Executive
- Jeff Qualls – Director of Application Development
- Alys Winters – Lead QA Technical Engineer
- Brian Hecimovich – Product Owner/Manager

YVETTE URSO, PROGRAM MANAGER, PMP & CSM

Yvette Urso will serve as the Program Manager to direct all aspects of implementation and provide hands on management and guidance to ensure a smooth and successful execution of the new electronic payment services on time and on budget for the Parish. Ms. Urso demonstrates superior leadership skills in spearheading complex program deliveries with a focus on exceeding client expectations.

Her professional experience includes roles as a Program Manager, Senior Project Manager, Certified Scrum Master, and Senior Business Analyst with corporations nationwide. Ms. Urso earned her B.A. in Marketing, is a certified Project Management Professional (PMP) and a certified Scrum Master (CSM). She demonstrates an in-depth understanding of various project management tools such as Jira, Microsoft Project, AHA, Workfront, Planview, Clarity, and methodologies, including Agile/Scrum, DevOps, Iterative, Waterfall, Capability Maturity Model Integration (CMMI), Rapid Prototyping (RAD), and Six Sigma. Yvette Urso displays expert capabilities with several software systems, applications and databases to include Azure, SharePoint, Microsoft Office 365, OneNote, Lotus Notes, ADP, Microsoft Access, Visio, Remedy 4.0, ORACLE, SQL Navigator, DB2, and AS400. Her continuing education achievements include programming certifications with C, SQL, Visual Basic, UNIX, COBOL I, and COBOL II, and she is also a Mercury Interactive Inc.: Certified Product Instructor for Mercury Interactive Inc. and Automated Test Scripts Developer.

MARK HOOKER, PRIMARY ACCOUNT/RELATIONSHIP MANAGER

Point & Pay designates Mark Hooker as the Parish's primary account/relationship manager responsible for maintain ongoing communications with key stakeholders. He will facilitate the contracting process,

guide the Parish through Point & Pay's product offerings, and perform regular meetings to update staff with new developments. His availability is between 7 AM – 6 PM CST.

Mark Hooker has developed and maintained key relations with clients and serves as the secondary account manager for large government clients in the central and eastern U.S. His previous experience includes a tenure at JP Morgan Chase and he holds a B.S. in Quantitative Economics and Econometrics. His computer skills include MS Office, SQL, Power BI, and the Google Suite of programs.

MIKE MOONEY, STRATEGIC ACCOUNT EXECUTIVE

Mike Mooney, Point & Pay's Director of Strategic Partnerships, will serve as the Parish's Strategic Account Executive and secondary point of contact for any questions and concerns. Mr. Mooney will assist Mark Hooker in facilitating the contracting process and serve as a liaison throughout the implementation process and the duration of the contract. Mr. Mooney will further coordinate any questions and concerns with our Manager of Clients Services, who oversees our client/customer service support team.

JEFF QUALLS, DIRECTOR OF APPLICATION DEVELOPMENT

Jeff Qualls manages the successful delivery of software development projects by planning, architecting, coordinating, and leading activities across the full delivery lifecycle. He also works closely with the Project Managers, Business Analysts, Architects and Developers, as well as liaising with key project stakeholders as required.

Mr. Qualls possesses nearly 20 years' experience in senior-level technical roles by providing leadership skills that foster collaboration in the design and implementation of software applications. He is skilled at gathering and understanding business requirements and designing an appropriate solution to include data modeling and object oriented analysis and design. Mr. Qualls also has a proven track record of designing robust and maintainable systems that perform well with a focus on solving the business need, rather than specific tools or technologies. He is a highly skilled Java programmer accustomed to writing both server and client side applications, and is extremely skilled at both data modeling and writing SQL for a variety of databases. As web technology has evolved over the years, Jeff Qualls has also written web-based systems using a variety of languages and techniques. He earned his B.S. in Computer Science/Artificial Intelligence from Taylor University in Upland, Indiana.

ALYS WINTERS, LEAD QA TECHNICAL ENGINEER

One of Point & Pay's seasoned veteran's, Alys Winters manages regression testing and other testing methods to ensure new components of clients' payment products that we deliver match their unique requirements and do not impact existing functionality. In this pivotal role, she also manages all aspects of the release management process, which involves effective planning, designing, scheduling, testing, deploying, and controlling software releases. One of her main priorities is to confirm that release teams efficiently deliver the applications and upgrades required by the each client, while maintaining the integrity of the existing production environment. Ms. Winters further ensures that new payment solutions for clients adhere to all SDLC policies, coding standards, and PCI requirements. Alys Winters holds a B.S. in Information Technology and 15 years' experience in Testing and Quality Assurance.



BRIAN HECIMOVICH, PRODUCT OWNER/MANAGER

As the Product Manager, Brian Hecimovich will work alongside Yvette Urso in managing all aspects of implementing the new payment solution in a timely manner. Mr. Hecimovich is an experienced, technically trained business leader and project manager, adept at using technology to improve business processes.

In this pivotal role, he manages client relationships for both small and large government agencies. Mr. Hecimovich has served as a Product Owner/Manager for 10 years and has developed applicable project management skills. He is adept at coordinating information across multi-functional teams – development, quality assurance, and client services – to meet common goals and translate client needs to ensure optimal outcomes. His background includes more than a decade of project management, operations management, client services, and business/product development.

ONGOING RESOURCES AND SUPPORT FOR IMPLEMENTATION & CONTRACT LIFECYCLE

Point & Pay's Operations and Client Service divisions are comprised of multiple functional teams supporting each client's implementation. All supporting resources are allocated according to each client's defined and agreed upon scope. Designated Parish personnel will work directly with the implementation leaders who procure the appropriate resources to ensure the government's needs and requirements are fulfilled adequately and appropriately.

For ongoing support throughout the contract, we have found using telepresence platforms to manage projects prove most successful and efficient. With this technology, our offices can connect with the Parish departments at the touch of a button. However, the Point & Pay team is committed to on-site meetings as needed. We are an advocate for many of the practices of the Agile/Scrum approach to project management and having this technology in place to facilitate activities like Stand-Up Meetings, Show and Tells, and Prioritization Meetings will be beneficial.

We further utilize the Salesforce CRM tool to maintain visibility with all business/project issues that may arise, as well as a multi-tiered communication strategy so that we conduct appropriate, immediate, and relevant communications through all tiers of our organization.

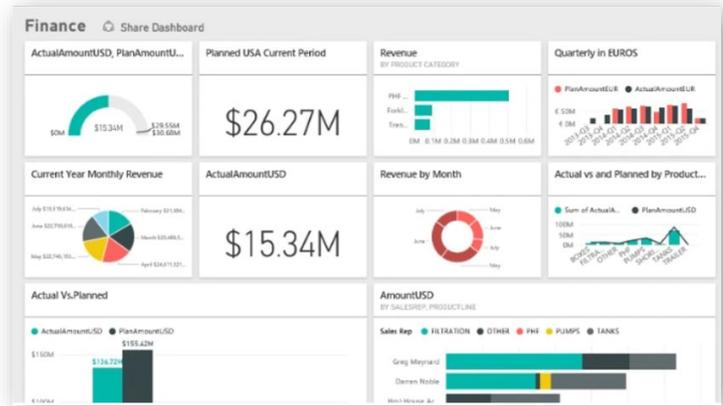
3 INNOVATIVE CONCEPTS

Present innovative concepts, if any, not discussed above for consideration.

Point & Pay presents the following innovative concepts to the Parish.

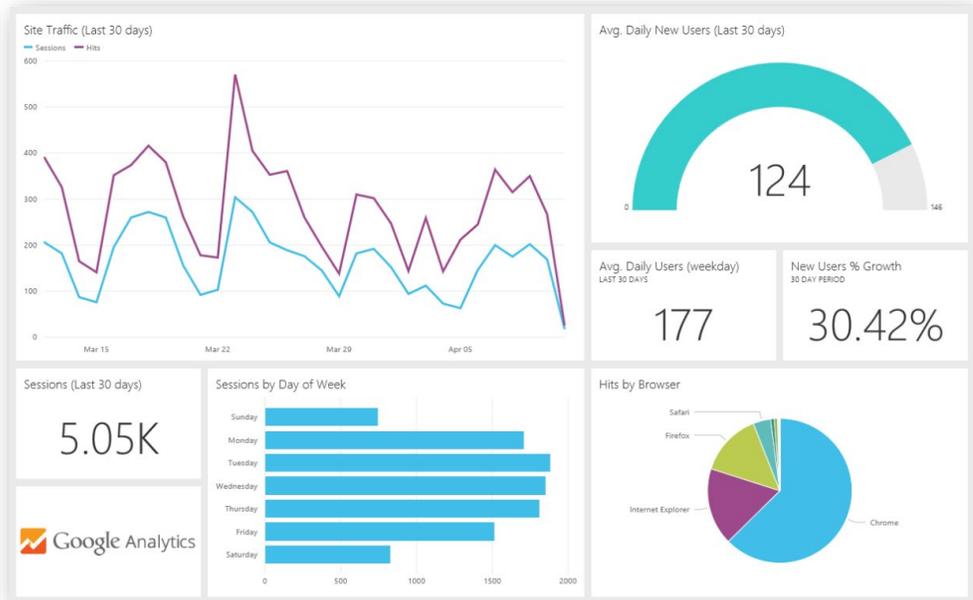
Point & Pay utilizes of the Microsoft Power BI reporting tool that interacts instantly and seamlessly with Excel to view and receive reports. With this impressive tool, Parish users will be able to connect to and transform data with advanced data preparation capabilities, interactive data visualizations, not to mention intuitive dashboards to drive informed reporting actions for the Parish.

Point & Pay has had success utilizing Power BI as a shared reporting environment for enterprise class clients because it functions well on all devices, allows for fast implementation of sophisticated, data-rich dashboards and performance monitors, and makes the process of pushing regular reports to clients very simple.



GOOGLE ANALYTICS

Point & Pay also utilizes Google Analytics to continuously monitor our platform’s performance, track and report on cases and issues, and conduct quarterly performance reviews. With this impressive tool, we are able to provide program performance, growth, and best practices in comparison to industry benchmarks and standards. Some areas it includes are demographic information, mobile usage, web page performance, goal conversions and site path, and much more.





PAYGO SOLUTION – TRANSFER CASH PAYMENTS TO ONLINE COLLECTIONS

Point & Pay provides cash payment solutions through our exclusive partnership with PayGo to enable real-time account validation and payment posting through their unique, patent pending technology, ‘Checkout’. PayGo accepts payments at retailers nationwide, such as CVS, 7 Eleven, etc.

The workflow for the solution is for a “cash” option to be presented along with credit, debit, and the proprietary wallet options. The customer then completes the checkout process and they are issued a barcode, which they can either save on their mobile device, retrieve from email, or print from their desktop. No proprietary interfacing is required, the store clerk scans the barcode as they would with any item and accepts the payment.

Highlights include:

- Seamless integrations to existing channels
- Text and email alerts as often as daily
- Credit and debit card processing for prepay, postpaid via web, mobile, text and IVR
- Single barcode for ease of use
- Proven system scalability



4 PROJECT SCHEDULE

Detailed schedule of implementation plan for pilot (if applicable) and full implementation. This schedule is to include implementation actions, timelines, responsible parties, etc.

Point & Pay approaches client relationships as a partnership. As a company whose success is based on usage of payment systems, we work diligently to make sure that our discussions are engaging, provide value, and result in satisfied customers. For each new partnership, as part of our kickoff meeting, one of the artifacts developed from the discussion is a project plan. We also position ourselves as the payments company that helps its clients achieve their long-term goals to enhance the customer experience and increase electronic engagement. Our plans are structured around the lifecycle of the contract, or longer, and include a multi-phased approach.

Point & Pay possesses nearly two decades' experience in delivering, implementing, and managing small and large-scale projects for government agencies nationwide, including some that are considered the most populous within their State. As part of our mission, we make it a priority to meet the timelines and milestones for all of our projects, regardless of size. We are proud of our history in completing our electronic billing payment solutions 100% on budget.

Point & Pay understands the importance of an effective implementation plan and will work closely with representatives from the Parish to customize the methodology for implementation and migration, while maintaining core best practices and high quality of service.

- **System Integration:** Point & Pay has extensive experience delivering payment posts to client systems and is confident in our ability to integrate rapidly integrate to the Parish's existing system. We have completed similar integrations for large governments nationwide with similar requirements and we possess proven methodologies to ensure a seamless experience.
- **Timely Transition:** Point & Pay excels in providing rapid implementations with our comprehensive suite of turnkey products that can be delivered with minimal configuration and coding. These products will efficiently facilitate migration within the Parish's required timeline, while delivering upgraded functionality.

Point & Pay's implementation approach involves the **five phases** outlined below.

- 1 **Planning:** During this phase, we define the program and project scope. We work closely with designated Parish personnel to prioritize the work and build the schedule baseline.
- 2 **Configuration and Build:** Point and Pay's platform architecture is such that our primary setup is configuration however we will provide development resources for customization work when applicable, both of which will occur during this phase.
- 3 **Test:** The Point & Pay platform offers a robust production like environment (Demo) for client and partner testing. We typically perform all non-production test activities during this phase; however, by request of the client and partner, we can offer isolated test environments to satisfy specific request for customer development and integrations.



Point & Pay provides a standard set of test scripts and scenarios that exercise the new setups and configurations. If we complete custom development or integrations as part of the project, the client or partner would develop and approve new scripts.

- 4 **Training:** We will provide training for Point & Pay tools, as well as any third-party engagement upon client approval of test results. The training is all-inclusive and specifically designed specifically with any client requirements as identified during the planning phase.
- 5 **Go-Live:** During the go-live phase the project team will review the implementation plan, confirm no critical open items remain, receive final approval from the project stakeholders, and complete any system cut-overs.

Additionally, Point & Pay recognizes the need to expand or customize the implementation and project management approach. To that end, our diverse team is familiar with the applicable standards and adjusts this approach as necessary to match our clients' project management governance model.

IMPLEMENTATION PLAN

Point & Pay considers implementation the most critical phase for the Parish's new payment solution. During this phase, the implementation team will promote the code to production. The team will conduct more testing of the code in production. Our Program Manager will hold a zero defects meeting to verify the application performs efficiently and meets quality standards. The team expects to encounter minimal production fixes, and the schedule should allow for fixing the defects found in production. After the testing for defects, the team manages change control. Near the end of the implementation phase, we hold another turnover meeting with the project team in preparation for the final release. After the meeting, the Program Manager will sign off on the readiness of the final application and then conduct a training webinar for the client. After we complete training, the team will turn on the permissions for the client and release the product/deliverable to the client.

Point & Pay will have representatives to provide key steps in this process, including the Project Manager, Technology Director, Implementation Specialist/Leader, and Account/Relationship Manager. Additionally, our finance team will participate in each department's first reconciliation with the deliverable of completing that reconciliation successfully and document the steps in the process for ongoing use. We will also meet every day post-transition for two weeks to troubleshoot new developments or questions and concerns. Point & Pay documents the results of the transition process.

SCOPE MANAGEMENT

Point & Pay will participate in kickoff meetings with the Parish. During the meetings, we will meet with designated Parish representatives to discuss their individual needs and scope implementation.

The assigned implementations lead is responsible for capturing the project scope and documenting it as meeting notes for each agency kickoff meeting. At a point determined by the implementation team, which will overlap between the planning phase and configuration/build phase, the scope documentation serves as the requirements baseline for each agency.

SCHEDULE MANAGEMENT

Point & Pay will determine a milestone and task level schedule for each department that is a part of the overall program schedule. The schedule consists of the following six tiers: 1) Client, 2) Wave, 3) Department (Agency), 4) Phase, 5) Milestone, and 6) Task.

Segmenting line items is a schedule management best practice and allows for simple detection of cross dependency issues, as well as task synchronization. Each task has an assigned duration and potentially a predecessor that subsequent tasks may be linked to, which drive the associated dependencies.

The implementation lead will meet weekly via phone conference with task owners and track performance against the delivery baseline. For tasks with long durations, the project lead will capture the percentage complete in the agency's schedule and compare it to the end date. If the lead feels the task is at risk of not being complete by the defined end date, the project lead must work with the task owner and define a recovery plan, escalate the risk to the program manager, and prepare for a potential change control request (please see [Change Control](#) for additional details).

TESTING AND QUALITY ASSURANCE

During the Testing and Quality Assurance part of the project, Point & Pay identifies appropriate testing methods, acceptable metrics, and procedures to exercise throughout the lifecycle of the project. Specifically, we designate a team of our technical specialists that will perform several aspects of system testing for end-to-end functionality of the new payment solution for the Parish. The plan includes:

- **System Testing** – ensure all backend aspects of the functionality, including database information are accurate and according to requirements
- **User Acceptance** – ensure conformance to requirements
- **Regression/Performance Testing** – produce detailed scripts to ensure that new development does not impact current functionalities and/or system performance
- **Production Testing** – verification that new functionality behaves as expected and checks for regression to ensure current system behavior and performance are not negatively impacted

Point & Pay maintains a robust production-like, client test environment that is available 99% of the time during a normal business week. There are daily scheduled maintenance windows that are flexible depending on test commitments and other external factors. Client configurations live within the test environment and stay current with Production. This real-time configuration sync between test and production environments allow for unplanned and unannounced testing to be performed by the client at any point.

CHANGE CONTROL

The primary purpose of Point & Pay's change control process is to review, approve, or make recommendations for an alternative approach to change impacting department requirements and related delivery timeframes. The Parish's assigned Implementation Lead handles the change process by:

- 1 Identifying a potential change item,

- 2 Documenting the potential change and impact to the project's scope/schedule,
- 3 Communicating it to the Program Manager, who adds it to the weekly status meeting, and
- 4 Presenting the item and analysis to the change control board.

The Point & Pay Implementation Lead will notify all stakeholders of changes to scope and schedule and document these changes in the Change Log to track communications appropriately.

PROJECT COMMUNICATIONS

Point & Pay prides itself on effective communication with all stakeholders to facilitate an understanding of how we conduct meetings, reports, and other communications during the Parish's implementation.

Point & Pay will maintain the following communications protocol.

- 1 **Communications with the Sponsor** – the Implementation Lead will meet with the sponsor on a bi-weekly basis to provide updates, as well as a weekly status report to the sponsor.
- 2 **Communications with Functional Management** – we include Functional Managers (members from the Parish and Point & Pay) in all communications. The implementation team will meet with the Functional Manager on a weekly basis for updates. Point & Pay functional managers will provide a weekly status report to the Implementation Lead.
- 3 **Communications with the Parish** – the Implementation Lead is responsible for communications with the Parish staff.
- 4 **Communication Tools** – the Implementation Lead is responsible for communications to all stakeholders, via an agreed upon tool or method, i.e., e-mail, wiki, document repository, etc.
- 5 **Customer Relationship Management (CRM)** – Point & Pay will use CRM operational tools via Salesforce's Service Cloud to store all relevant documentation with the following functions:
 - *Announcements* – post messages on the project workspace home page
 - *Calendar* – keeps the team informed of upcoming meetings, deadlines, and other important project events
 - *Links* – links to web pages that the team may find useful for the project
 - *Discussion* – on-line threaded discussions across the team
 - *Tasks* – list to keep track of tasks to complete
- 6 **Email** – Point & Pay will create an e-mail distribution list of the internal stakeholders, and all internal e-mails related to the project will use the specific e-mail address we establish specifically for the Parish's implementation.
- 7 **Teleconferences (toll-free)** – we will schedule phone meetings via Google Meet with dial-in numbers available to all stakeholders.
- 8 **Scheduled Meetings** – Upon RFP award, Point & Pay will review with the Parish all other required meetings and TBD dates based on the project start date.

PROJECT SCHEDULE & ASSUMPTIONS

Implementations are a core discipline at Point & Pay and the majority of our operational staff are tied to the various disciplines. Point & Pay will provide Jefferson Parish with a non-standard approach to the meet the program goals, yet at the same time, aligning with our governance model. Point & Pay also follows a standard set of industry-recognized guidelines flexible enough to support the Parish’s needs as well as maintain a focused approach to completing each implementation on time.

Point & Pay’s proposed project schedule includes a 60-day timeline to implement our standard products and services that do not require any customization efforts or third-party integration (otherwise the timeline can range between 60 - 120 days). Any additional requests will flow through the same process from Contract or Change Request to Implementation. Each addition or change will be properly scoped and defined based on the request.

Our project assumptions include mutually agreed upon changes in scope and documented in an approved change order prior to additional work commencing. In an effort to avoid unnecessary delays, Parish resources need to be available during the appropriate phases, with proper advance notice to minimize adjustments in the project schedule.

Implementation Schedule	
- Planning	8d
+ Discovery	5d
Client Application	1d
Reports	1d
- Configuration/Build	20d
+ System and Financial Configuration	7d
+ POS Terminal	6d
Web page Configuration	1d
+ IVR Configuration	3d
+ Reports	1d
- Test	5d
+ Web page (URLPP and Post backs)	5d
+ POS Terminals	5d
+ IVR Integration Testing	3d
- Implementation	2d
Go-live Planning Call	1d
+ Client Operations Training	1d
- GO LIVE	0d
Go Live (xx/xx/xxxx)	
Monitor and Support POC	
Transition to Operational Support Team (Client Services)	

PARISH RESOURCES AND AVAILABILITY

In an effort to fulfill the proposed contract for the Parish efficiently, Point & Pay prefers one designated representative from the Parish as a primary point of contact. We also prefer availability to at least two individuals, one primary and one secondary IT staff member from the Parish’s Information Systems Department, to coordinate technical aspects appropriately and answer questions that may arise related to programming and testing associated tasks during the integration and implementation process of the new payment solution.

Point & Pay expects that the primary point of contact (POC) should provide ownership of the Parish’s contributions to the final, mutually agreed Scope of Work (SOW). As such, that individual will also provide final “acceptance” of the provided solutions, certifying they adhere to the requirements and meet the Parish’s needs. The POC will also be responsible for the Charge Request process.



To manage contract performance, the POC will be given access to Point & Pay's performance tracking tools, which include project management resources and documentation during the implementation phase and system performance tools during the solution's active lifecycle. It is typical for us to include the POC on the Point & Pay's distribution lists for system alerts and critical communications. The POC will collaborate with Mark Hooker, the Parish's primary Account/Relationship Manager, to coordinate the scheduling and agendas of the quarterly performance review meetings.

POINT & PAY RESOURCES AND RESPONSIBILITIES

Point & Pay will provide Jefferson Parish with the necessary project management and technical resources to configure, develop, and maintain the Parish's new solution prior to implementation, as well as for the life of the contract. Point & Pay's agreements include a mutually-drafted Scope of Work (SOW) that includes key points of our proposal, such as:

- Provisioning of key project staff
- Provisioning of support staff for the full contract lifecycle
- Technical integration
- Reporting per Parish specifications
- Initial setup of Parish users and permissions
- Tools for ongoing management of users and permissions
- 24/7 Customer and Technical support services
- Single point of relationship and contract management
- Quarterly meetings to review performance and opportunities for improvement
- Delivery of system scale to support the Parish's watermarks for concurrent users
- A fully, PCI-DSS Type 1 compliant payment processing system
- A technology solution that fully meets the Parish's User Acceptance Testing (UAT) requirements
- Full lifecycle support (on-boarding, training, operation, management, and transition)

TRAINING INITIATIVES

Point & Pay will provide training to Parish staff that revolves around all system functionality and business flow of electronic payments. We offer a full training package, including multiple online/web sessions with our staff to accommodate work schedules, instructor led training to accommodate personnel prior to implementation, as well as dedicated support prior throughout the roll out process.

Key areas of our training initiatives include:

- **Administrative Application:** User management, views of real time and other reports, search for payments, and similar issues
- **Online Components:** Managing bills, batches, various functions, and customer interactions
- **Counter Application:** Methods for accepting, voiding, and refunding payments
- **Settlement, Reporting, and Reconciliations:** Principles of Point & Pay reporting products, identify settlements, and reconcile your payments

"I really appreciate the professionalism and courtesy of the team, from training to go-live; they were there every step of the way to guide us. I am very pleased that we converted to Point & Pay."

Diane Berube,
Treasurer
Greenlee County, Arizona

We provide operation and procedure manuals for use by Parish staff involved in the program. As a SaaS platform, Point & Pay provides an online *Document Library*, as well as other materials such as user guides, product specifications, service documentation and desktop reference cards.

Additionally, we have a lengthy list of various video tutorials that provide instructional steps for all features and functionality of the product line for both Parish users and customers.



Online Document Library

SAMPLE TRAINING SYLLABUS

GoToMeeting webinar held every Wednesday at 2:00 PM EST

Rationale

Point & Pay's *New Client Training* session is conducted each Wednesday via the GoToMeeting online web collaboration tool to introduce new users to Point & Pay's systems and demonstrate how to perform the various functions of the online payments portal.

Course Aims and Outcomes



The aim of this training course is to provide a complete overview of the online payments portal and how staff can utilize the system's features and functionality at both the counter and administratively. With this knowledge, office staff and administrators can easily accept electronic payments from their customers and use the various back office functions available in to run reports, view transactions, and perform voids and refunds.

By the end of this course, users will know how to:

- ✓ Access their specific online payment portal
- ✓ Add and delete system users
- ✓ Reset system passwords
- ✓ Lock and unlock system users
- ✓ Take a payment
- ✓ Set up Payment Exclusions that prohibit certain customer accounts from using the portal
- ✓ Use the various Reporting functions available
- ✓ Search for prior payments
- ✓ Complete a refund or void of a past payment
- ✓ Contact our customer service team when additional support is needed

Course Requirements

Operating System: Windows 7 - Windows 10, or Mac OS X 10.9 (Mavericks) – 10.13 (High Sierra)

Internet Connection: 1Mbps or better (broadband recommended)

Software: GoToMeeting desktop app with JavaScript enabled

Hardware: 2GB or more of RAM; Microphone and speakers (USB headset recommended);
Webcam is optional

For more information, please contact our Customer Support Department at 888.891.6064, option 2.

EXCEPTIONAL CUSTOMER/CLIENT SERVICE SUPPORT

Point & Pay will provide live customer assistance and technical support to the Parish via toll-free phone and email. We will assign a dedicated customer/client service team that utilizes a ticket management system to monitor and track any issues that may arise with state agencies. This team will facilitate first-level support for assistance with log in credentials, reports, settlements, deposits, payments, chargebacks, refunds, and voids. Our second level support covers more complex issues such as modifying a configuration, validation, configuring exclusions, adding services, and banking/settlement changes.

We have the ability to assign unique customer service lines specific to Parish departments to enable immediate prioritization for incoming calls and monitoring SLA's individually. We are able to do this universally for the Parish, or for specific departments.

Point & Pay has multiple support center locations to provide live assistance around the clock. Our processes have built in redundancy to manage call overflow efficiently, and we provide back-up resources for our support specialists to ensure constant communication with automated email check-ins for system issues and maintenance scheduling and escalation to management when requests age beyond acceptable timeframes. This includes additional resources at North American Bancard, our parent corporation.

TOP-QUALITY TECHNICAL SUPPORT

Point & Pay also utilizes a Network Operations Center (NOC) charged with monitoring system performance, maintenance, troubleshooting, and responding to technical support calls on a 24/7/365 basis with on-call representatives and after-hours escalation procedures. The NOC also services:

- Remote support for terminal security updates
- Integration support and file/format data exchange questions
- Technical maintenance and troubleshooting
- Overnight replacement of defective terminals within 24 hours' notice
- Release management and networking

Point & Pay will contact the Parish via email and phone communications of any network issues. We recognize a network issue is only an event if the redundancy systems do not resolve the event within 15

"Working in the customer service industry, I know what it takes to do a good job and the customer service at Point & Pay is outstanding."

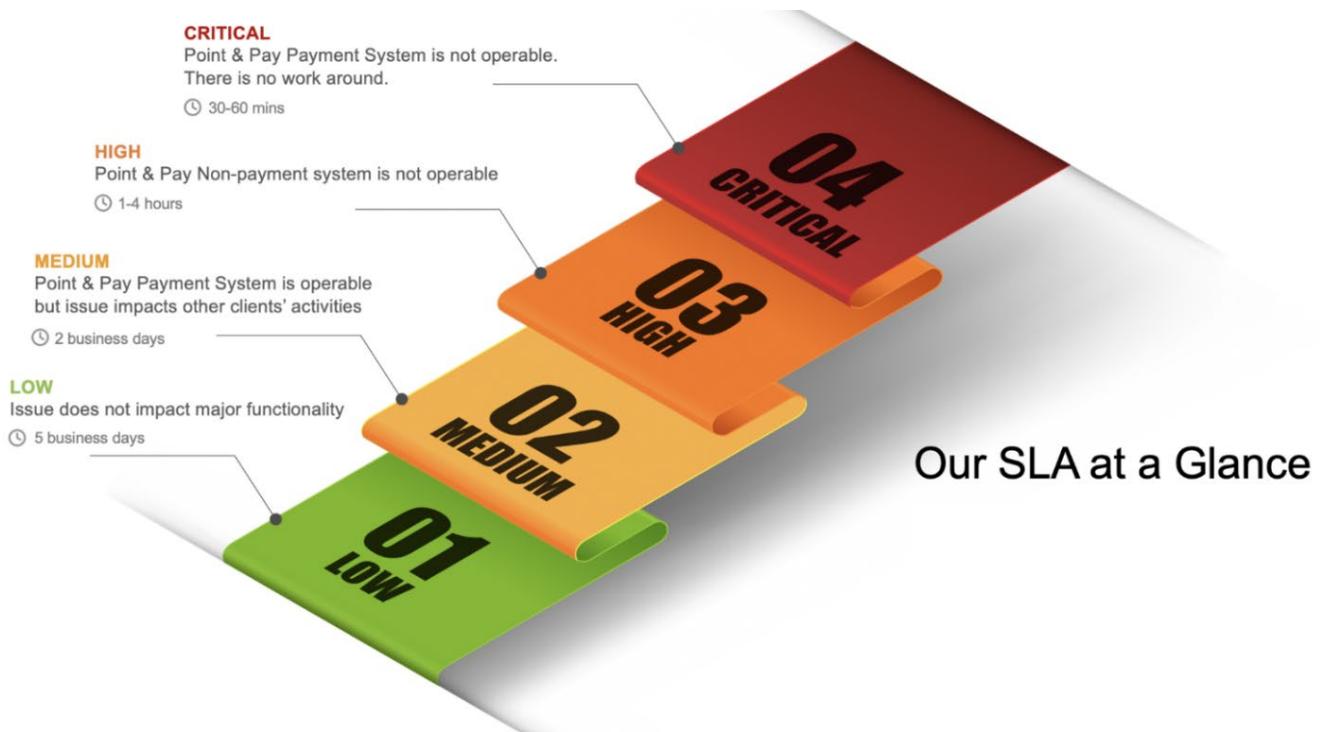
Greg Wilson,
Customer Service Supervisor
Highline Water District, WA

"Converting to a new payment system made the County staff very anxious, but Point & Pay made it smooth and easy. Their customer service and account management staff were very attentive and helpful. They went the extra mile to ensure a successful transition and we are extremely pleased."

Shawn Myers,
Treasurer
Thurston County, WA

minutes or less. We are generally amicable to SLA's for up time to 99.96%, as well as responsiveness to issues in the priority breakdown referenced in the following graphic that summarizes our escalation procedures and turnaround timeframes for problem resolution. In general, SLA reporting is expected to be managed on a monthly basis. We define "critical" incidents as any event that affects a client's ability to process transactions. This includes system downtime, integration issues, hardware issues, and even customers struggling to access our virtual terminal application with username and password challenges.

Please Note: We recognize that external events out of our immediate control could impact payment processing, such as a connectivity issue with the hosting provider, and/or technical problems that occur with the clients' system/server.



5 FINANCIAL PROFILE

Proposers are requested to submit documentation from the past three (3) years demonstrating proposer's financial stability. Documentation may include audited financial statements including balance sheets, income statements, documentation regarding retained earnings, assets, liabilities, etc. Such information should be included in the technical portion of the proposal submission and MUST NOT be included with the cost proposals and/or price schedules.

Point & Pay is a privately held company who operates as a wholly-owned subsidiary of North American Bancard Holdings, LLC; therefore, we do not publish our own financial statements. As the nation's 6th largest acquirer, NAB possesses strong revenue growth and cash-positive operations. We are pleased to provide three additional company ratings for North American Bancard below.

Better Business Bureau: A+ | **Moody's:** B1; Outlook: Stable | **Hoover's:** Low Risk

We include NAB's most recent financial statements as [Exhibit 5.1, Audited Financial Statements](#).



VP8300

COUNTERTOP CHIP & SIGNATURE WITH NFC

The VP8300 from ID TECH is a secure EMV chip, magnetic stripe reader with contactless capabilities. The VP8300 is an attractively packaged customer facing countertop payment solution providing the merchant with the ability to accept all payment types including loyalty programs. The VP8300 is the perfect solution for merchants that need to support the latest payment capabilities without the additional overhead, complexities and cost of a full PINPad payment device.



COMMON KERNEL, UNCOMMONLY SIMPLE.

The ViVOPay 8300 is an MSR, EMV, Contact, Contactless countertop payment solution, packaged in an attractive and eye-catching design. Ask us how our common kernel can speed up your time to market and save you costly L3 approvals!

CONTACT US TODAY!

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EMEA@IDTECHPRODUCTS.COM

VP8300 SPECS

INTERFACE	USB-HID USB Keyboard
POWER	5V USB powered
OPERATING LIFE	MSR: 1,000,000 swipes minimum Smart Card Reader: 500,000 cycles minimum
DIMENSIONS	1.75 in (44.45 mm) X 5.52 in (140.21 mm) X 4.98 in (126.5 mm)
OPERATING TEMPS	0°C to 55°C (32°F to 131°F)
STORAGE TEMPS	-20°C to 60°C (-4°F to 140°F)
HUMIDITY	MAX 95% non-condensing
CERTIFICATIONS	MasterCard PayPass Visa VCPS and QuickChip M/Chip Fast from MasterCard American Express ExpressPay Discover DPAS Apple Pay, Google Pay, Samsung Pay Apple VAS and Google SmartTap 2.1

ADDITIONAL FEATURES

- EMV Certified with Major Processors
- EMV Level 1 and Level 2 Certified
- Windows & Android SDK Available for Simplified Integration
- Provides Encrypted MSR or EMV Data
- Remote Key Injection Supported
- Supports ID TECH Common Kernel
- Supports Quick Chip and M/Chip Fast
- Able to be Mounted

ISO 9001 CERTIFIED
ISO 14001 CERTIFIED



Desk/3500

Deliver a simple and reliable payment experience at the counter

- Leverage Telium applications on the next-generation payment terminal
- Make NFC payment a seamless consumer experience
- Comply with the most stringent security requirements



The Desk/3500 offers a seamless payment experience. It leverages the Telium application portfolio and complies with future security standards.

Highest security

The Desk/3500 is PCI-PTS 5.x certified. Its Telium TETRA OS uses the latest cryptographic schemes with future-proof key length.

All payment options

The Desk/3500 enables NFC couponing and wallet use cases, in addition to EMV Chip & PIN, swipe and contactless.

User-friendly and intuitive interface

Featuring intuitive card readers and applications menu, it provides a seamless payment experience.

Compatible with Ingenico's suite of services

The Desk/3500 works in unison with Ingenico's supporting service platforms, meaning merchants will have access to business services such as estate management reporting. Software updates and day-to-day support deliver a hassle-free experience for those using this innovative series.

Maximized network availability

In addition to Ethernet and modem, the Desk/3500 offers an Ethernet/modem and Wi-Fi/Ethernet/ Modem models. With it, network availability and communication costs are fully optimized.

Seamless NFC payment

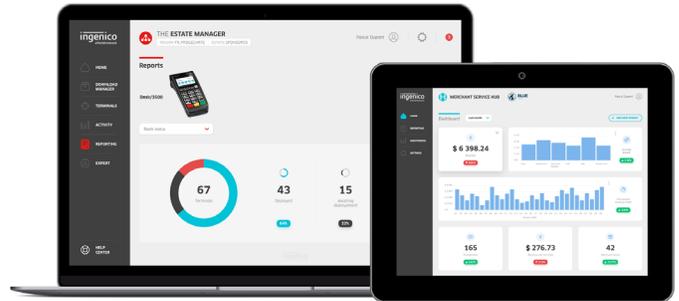
The Desk/3500 boosts NFC payment by offering to customers a seamless experience through a dedicated contactless card reader zone and faster transaction flows.

Secure Telium TETRA OS

Backed by 40 years of experience and with its user-friendly interface, the Telium TETRA operating system includes the best security mechanisms embedded to protect transaction privacy and leverages Ingenico's unique portfolio of payment applications.



The Desk/3500 Series is supported by our Cloud Services



Processor	• Application & Crypto processor	• Cortex A5	•
Memory	• Internal	• 256 MB Flash, 128 MB RAM	•
OS		• Telium TETRA	•
SAM		• 2 SAM	•
Card Readers	• Magstripe • Smart card • Contactless	• ISO 1/2/3, 500K lifespan • EMV Level 1, 500K lifespan • EMV Level 1 compliant	• • •
Display	• Color	• 2.8" display, backlit, QVGA (320x240 pixels)	•
Keypad		• 20 ergonomic keys, raised marking, backlit	•
Audio	• Buzzer		•
Thermal Printer	• Speed in lines/s • Paper roll cage	• 20 lines/s • 58 mm width x 40 mm	• •

Terminal Connectivity	• Wireless • Wired	• Wi-Fi • Dial-up MODEM • Ethernet 10/100 base T	Optional • •
Terminal Connections	• USB • Power Supply • Serial	• 1 USB Host • 1 USB Slave • Dedicated power Jack • 1 RS232	• • • •
Power Supply		• 24W	•
Terminal Size		• 7.3x2.6x3.2x2.6" (187x82x68 mm)	•
Weight		• 12 oz (340 g)	•
Environment	• Operating Temperature • Storage Temperature • Operating Humidity	• 32°F to 104°F (0°C to +40°C) • -4°F to 131°F (-20°C to +55°C) • 85% non-condensing at 104°F (+40°C)	• • •
Accessory	• Magic Box • Privacy shield	• 1xRS+ • 1xPower+1xEth.+1xLine In • Field upgradable	Optional Optional
Security		• PCI PTS 5.x	•

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www.ingenico.us





Payment Card Industry (PCI) Data Security Standard



Attestation of Compliance for Onsite Assessments – Service Providers

Version 3.2.1

June 2018

Section 1: Assessment Information

Instructions for Submission

This Attestation of Compliance must be completed as a declaration of the results of the service provider's assessment with the *Payment Card Industry Data Security Standard Requirements and Security Assessment Procedures (PCI DSS)*. Complete all sections: The service provider is responsible for ensuring that each section is completed by the relevant parties, as applicable. Contact the requesting payment brand for reporting and submission procedures.

Part 1. Service Provider and Qualified Security Assessor Information

Part 1a. Service Provider Organization Information

Company Name:	Point and Pay, LLC	DBA (doing business as):			
Contact Name:	Bhuvnesh Khosla	Title:	Sr. Compliance Analyst		
Telephone:	+1 (248) 525-9076	E-mail:	bkhosla@nabancard.com		
Business Address:	110 State Street E. Suite D	City:	Oldsmar		
State/Province:	FL	Country:	USA	Zip:	34677
URL:	www.pointandpay.com				

Part 1b. Qualified Security Assessor Company Information (if applicable)

Company Name:	Marcum RAS, LLC				
Lead QSA Contact Name:	Derek Parks	Title:	Director		
Telephone:	813.397.4859	E-mail:	Derek.parks@marcumllp.com		
Business Address:	201. W. Kennedy Boulevard, Suite 1500	City:	Tampa		
State/Province:	FL	Country:	USA	Zip:	33602
URL:	Marcumllp.com				

Part 2. Executive Summary**Part 2a. Scope Verification****Services that were INCLUDED in the scope of the PCI DSS Assessment** (check all that apply):

Name of service(s) assessed: Payment Processing Services

Type of service(s) assessed:

Hosting Provider:

- Applications / software
 Hardware
 Infrastructure / Network
 Physical space (co-location)
 Storage
 Web
 Security services
 3-D Secure Hosting Provider
 Shared Hosting Provider
 Other Hosting (specify):

Managed Services (specify):

- Systems security services
 IT support
 Physical security
 Terminal Management System
 Other services (specify):

Payment Processing:

- POS / card present
 Internet / e-commerce
 MOTO / Call Center
 ATM
 Other processing (specify):

 Account Management Fraud and Chargeback Payment Gateway/Switch Back-Office Services Issuer Processing Prepaid Services Billing Management Loyalty Programs Records Management Clearing and Settlement Merchant Services Tax/Government Payments Network Provider Others (specify):

Note: These categories are provided for assistance only and are not intended to limit or predetermine an entity's service description. If you feel these categories don't apply to your service, complete "Others." If you're unsure whether a category could apply to your service, consult with the applicable payment brand.

Part 2a. Scope Verification *(continued)*

Services that are provided by the service provider but were NOT INCLUDED in the scope of the PCI DSS Assessment (check all that apply):

Name of service(s) not assessed: None

Type of service(s) not assessed:

Hosting Provider:

- Applications / software
 Hardware
 Infrastructure / Network
 Physical space (co-location)
 Storage
 Web
 Security services
 3-D Secure Hosting Provider
 Shared Hosting Provider
 Other Hosting (specify):

Managed Services (specify):

- Systems security services
 IT support
 Physical security
 Terminal Management System
 Other services (specify):

Payment Processing:

- POS / card present
 Internet / e-commerce
 MOTO / Call Center
 ATM
 Other processing (specify):

Account Management

Fraud and Chargeback

Payment Gateway/Switch

Back-Office Services

Issuer Processing

Prepaid Services

Billing Management

Loyalty Programs

Records Management

Clearing and Settlement

Merchant Services

Tax/Government Payments

Network Provider

Others (specify):

Provide a brief explanation why any checked services were not included in the assessment:

Not applicable.

Part 2b. Description of Payment Card Business

Describe how and in what capacity your business stores, processes, and/or transmits cardholder data.	Point and Pay (“PnP”) is a secure gateway that enabled merchants to accept swiped and keyed cards (no PIN debit) and then provides a secure gateway to obtain approvals. It also conducts its own risk management and processing such as government/tax payments or rental payments processed. A transaction is entered on a customer’s POS device, TLS-secured web site, or phone (MOTO). The transaction goes directly to the in-house pass-through gateway then to EPX for approval and a response is returned. The transaction activity is then captured for reporting. There is a TLS web-based card holder data application available to merchants (truncated PAN only). No CHD data is accessed via the corporate web site. The information is used to support review of the transaction for risk management and fraud control analysis.. An IVR (voice transaction) is sent by North American Bancard (NAB) to the firm for support (encrypted voice application). CHD is only stored on one server, in one database. PnP also receives settlement files from its upstream processor. In this Cipher table, which is for generic, all-purpose encryption use, there is a CipherText column, which is the actual column that stores unreadable PAN. The expiration date reference is stored in the OrderPaymentCharge as column ExpirationMMYYCipherID. PAN and expiration data are encrypted with AES.
Describe how and in what capacity your business is otherwise involved in or has the ability to impact the security of cardholder data.	Point and Pay stores, processes, and transmits the CHD collected by their customers for the purposes of payment for rendered services. The data collected, stored, processed, and transmitted is kept to the minimum amount needed to process user transactions.

Part 2c. Locations

List types of facilities (for example, retail outlets, corporate offices, data centers, call centers, etc.) and a summary of locations included in the PCI DSS review.

Type of facility:	Number of facilities of this type	Location(s) of facility (city, country):
Corporate office	1	Oldsmar, FL
Data center	1	Kansas City, MO

Part 2d. Payment Applications

Does the organization use one or more Payment Applications? Yes No

Provide the following information regarding the Payment Applications your organization uses:

Payment Application Name	Version Number	Application Vendor	Is application PA-DSS Listed?	PA-DSS Listing Expiry date (if applicable)
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	

Part 2e. Description of Environment

Provide a **high-level** description of the environment covered by this assessment.

For example:

- *Connections into and out of the cardholder data environment (CDE).*
- *Critical system components within the CDE, such as POS devices, databases, web servers, etc., and any other necessary payment components, as applicable.*

Connections in to the CDE include a public-facing DMZ protected by a Cisco ASA firewall. Traffic from that DMZ then flows to the internal networks (database and file storage). An additional Cisco ASA firewall segregates the internal networks from the DMZ. The internal network allows ingress traffic from only the DMZ. A VPN connection is used to connect to the CDE remotely.

The technologies in place to support the Payment Processing System are as follows:

- DMZ network segment housing web servers for the public-facing website and API.
- 3 internal network segments. 1 for the production SQL database; 1 for file storage; and 1 for Management tools.
- Windows and Linux servers for Management, file storage, application deployment.
- TLS for transport of CHD over the public internet.
- VPN encryption
- Customer-owned/managed POS devices communicate with web interfaces and are subject to the same security protocols.

Does your business use network segmentation to affect the scope of your PCI DSS environment?

(Refer to "Network Segmentation" section of PCI DSS for guidance on network segmentation)

Yes No

Part 2f. Third-Party Service Providers

Does your company have a relationship with a Qualified Integrator & Reseller (QIR) for the purpose of the services being validated?

Yes No

If Yes:

Name of QIR Company:

QIR Individual Name:

Description of services provided by QIR:

Does your company have a relationship with one or more third-party service providers (for example, Qualified Integrator Resellers (QIR), gateways, payment processors, payment service providers (PSP), web-hosting companies, airline booking agents, loyalty program agents, etc.) for the purpose of the services being validated?

Yes No

If Yes:

Name of service provider:

Description of services provided:

RackSpace, Inc.

Third-party hosting/data center

Electronic Payment Exchange, Inc. (EPX)

Transaction authorization

NAB IVR

IVR services

Note: Requirement 12.8 applies to all entities in this list.

Part 2g. Summary of Requirements Tested

For each PCI DSS Requirement, select one of the following:

- **Full** – The requirement and all sub-requirements of that requirement were assessed, and no sub-requirements were marked as “Not Tested” or “Not Applicable” in the ROC.
- **Partial** – One or more sub-requirements of that requirement were marked as “Not Tested” or “Not Applicable” in the ROC.
- **None** – All sub-requirements of that requirement were marked as “Not Tested” and/or “Not Applicable” in the ROC.

For all requirements identified as either “Partial” or “None,” provide details in the “Justification for Approach” column, including:

- Details of specific sub-requirements that were marked as either “Not Tested” and/or “Not Applicable” in the ROC
- Reason why sub-requirement(s) were not tested or not applicable

Note: One table to be completed for each service covered by this AOC. Additional copies of this section are available on the PCI SSC website.

Name of Service Assessed:		Payment Processing Service		
PCI DSS Requirement	Details of Requirements Assessed			Justification for Approach (Required for all “Partial” and “None” responses. Identify which sub-requirements were not tested and the reason.)
	Full	Partial	None	
Requirement 1:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Requirement 2:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2.1.1 – Not Applicable - no wireless networks are connected to the CDE. 2.6 – Not Applicable - Point and Pay is not a shared hosting provider.
Requirement 3:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3.4.1 – Not Applicable - whole disk encryption is not used to protect CHD data stores.
Requirement 4:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4.1.1 – Not Applicable - no wireless networks are connected to the CDE.
Requirement 5:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Requirement 6:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Requirement 7:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Requirement 8:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8.5.1 – Not Applicable - Point and Pay does not have remote access to customer premises.
Requirement 9:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9.9 – Not Applicable - Point and Pay does not utilize and devices that capture payment data.
Requirement 10:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Requirement 11:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	11.1.1, 11.1.2 – Not Applicable - no wireless networks are connected to the CDE. 11.2.3 – Not Applicable - no significant changes occurred throughout the assessment period.
Requirement 12:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Appendix A1:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not Applicable - Point and Pay is not a shared hosting provider.
Appendix A2:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	A2.1 – Not Applicable - Point and Pay does not utilize any POS POI terminals.

Section 2: Report on Compliance

This Attestation of Compliance reflects the results of an onsite assessment, which is documented in an accompanying Report on Compliance (ROC).

The assessment documented in this attestation and in the ROC was completed on:	12/6/2021	
Have compensating controls been used to meet any requirement in the ROC?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Were any requirements in the ROC identified as being not applicable (N/A)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Were any requirements not tested?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Were any requirements in the ROC unable to be met due to a legal constraint?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Section 3: Validation and Attestation Details

Part 3. PCI DSS Validation

This AOC is based on results noted in the ROC dated **December 6, 2021**.

Based on the results documented in the ROC noted above, the signatories identified in Parts 3b-3d, as applicable, assert(s) the following compliance status for the entity identified in Part 2 of this document (**check one**):

<input checked="" type="checkbox"/>	Compliant: All sections of the PCI DSS ROC are complete, all questions answered affirmatively, resulting in an overall COMPLIANT rating; thereby <i>Point and Pay, LLC</i> has demonstrated full compliance with the PCI DSS.						
<input type="checkbox"/>	Non-Compliant: Not all sections of the PCI DSS ROC are complete, or not all questions are answered affirmatively, resulting in an overall NON-COMPLIANT rating, thereby <i>Point and Pay, LLC</i> has not demonstrated full compliance with the PCI DSS. Target Date for Compliance: An entity submitting this form with a status of Non-Compliant may be required to complete the Action Plan in Part 4 of this document. <i>Check with the payment brand(s) before completing Part 4.</i>						
<input type="checkbox"/>	Compliant but with Legal exception: One or more requirements are marked "Not in Place" due to a legal restriction that prevents the requirement from being met. This option requires additional review from acquirer or payment brand. <i>If checked, complete the following:</i>						
	<table border="1"> <thead> <tr> <th>Affected Requirement</th> <th>Details of how legal constraint prevents requirement being met</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Affected Requirement	Details of how legal constraint prevents requirement being met				
Affected Requirement	Details of how legal constraint prevents requirement being met						

Part 3a. Acknowledgement of Status

Signatory(s) confirms:

(Check all that apply)

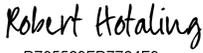
<input checked="" type="checkbox"/>	The ROC was completed according to the <i>PCI DSS Requirements and Security Assessment Procedures</i> , Version 3.2.1, and was completed according to the instructions therein.
<input checked="" type="checkbox"/>	All information within the above-referenced ROC and in this attestation fairly represents the results of my assessment in all material respects.
<input type="checkbox"/>	I have confirmed with my payment application vendor that my payment system does not store sensitive authentication data after authorization.
<input checked="" type="checkbox"/>	I have read the PCI DSS and I recognize that I must maintain PCI DSS compliance, as applicable to my environment, at all times.
<input checked="" type="checkbox"/>	If my environment changes, I recognize I must reassess my environment and implement any additional PCI DSS requirements that apply.

Part 3a. Acknowledgement of Status (continued)

- | | |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | No evidence of full track data ¹ , CAV2, CVC2, CID, or CVV2 data ² , or PIN data ³ storage after transaction authorization was found on ANY system reviewed during this assessment. |
| <input checked="" type="checkbox"/> | ASV scans are being completed by the PCI SSC Approved Scanning Vendor <i>SecureTrust, Inc.</i> |

Part 3b. Service Provider Attestation

DocuSigned by:



D785569FD7764F3...

Signature of Service Provider Executive Officer ↑

Date: 12/7/2021

Service Provider Executive Officer Name: Robert Hotaling

Title: CISO, North American Bancard

Part 3c. Qualified Security Assessor (QSA) Acknowledgement (if applicable)

If a QSA was involved or assisted with this assessment, describe the role performed:

The QSA validated the DSS requirements through testing, inspection, observations, and inquiries and produced a Report on Compliance

DocuSigned by:



AC141E7279A9485...

Signature of Duly Authorized Officer of QSA Company ↑

Date: 12/7/2021

Duly Authorized Officer Name: Derek Parks

QSA Company: Marcum RAS, LLC

Part 3d. Internal Security Assessor (ISA) Involvement (if applicable)

If an ISA(s) was involved or assisted with this assessment, identify the ISA personnel and describe the role performed:

*Bhuvnesh "BK" Khosla, MBA, ISA
Sr. Compliance Analyst, IT Risk & Compliance
North American Bancard*

ISA was involved in the coordination and facilitation of evidence gathering and interview/observation sessions between Marcum and Point & Pay personnel.

¹ Data encoded in the magnetic stripe or equivalent data on a chip used for authorization during a card-present transaction. Entities may not retain full track data after transaction authorization. The only elements of track data that may be retained are primary account number (PAN), expiration date, and cardholder name.

² The three- or four-digit value printed by the signature panel or on the face of a payment card used to verify card-not-present transactions.

³ Personal identification number entered by cardholder during a card-present transaction, and/or encrypted PIN block present within the transaction message.

Part 4. Action Plan for Non-Compliant Requirements

Select the appropriate response for “Compliant to PCI DSS Requirements” for each requirement. If you answer “No” to any of the requirements, you may be required to provide the date your Company expects to be compliant with the requirement and a brief description of the actions being taken to meet the requirement.

Check with the applicable payment brand(s) before completing Part 4.

PCI DSS Requirement	Description of Requirement	Compliant to PCI DSS Requirements (Select One)		Remediation Date and Actions (If “NO” selected for any Requirement)
		YES	NO	
1	Install and maintain a firewall configuration to protect cardholder data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2	Do not use vendor-supplied defaults for system passwords and other security parameters	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3	Protect stored cardholder data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4	Encrypt transmission of cardholder data across open, public networks	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5	Protect all systems against malware and regularly update anti-virus software or programs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
6	Develop and maintain secure systems and applications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
7	Restrict access to cardholder data by business need to know	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8	Identify and authenticate access to system components	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
9	Restrict physical access to cardholder data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10	Track and monitor all access to network resources and cardholder data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
11	Regularly test security systems and processes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
12	Maintain a policy that addresses information security for all personnel	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Appendix A1	Additional PCI DSS Requirements for Shared Hosting Providers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not applicable.
Appendix A2	Additional PCI DSS Requirements for Entities using SSL/early TLS for Card-Present POS POI Terminal Connections	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not applicable.



NAB Holdings, LLC and Subsidiaries

**Consolidated Financial Statements as of and
for the Years Ended December 31, 2020 and 2019,
Supplemental Information as of and for the
Years Ended December 31, 2020 and 2019, and
Report of Independent Auditors**

NAB HOLDINGS, LLC AND SUBSIDIARIES**TABLE OF CONTENTS**

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INDEPENDENT AUDITORS' REPORT

NAB Holdings, LLC and Subsidiaries:

We have audited the accompanying consolidated financial statements of NAB Holdings, LLC and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity (deficit), and cash flows, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of NAB Holdings, LLC and subsidiaries as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental information which comprise the consolidated balance sheets, less unrestricted subsidiaries, as of December 31, 2020 and 2019, and the related consolidated, less unrestricted subsidiaries, statements of income and cash flows for the years then ended is presented for purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Company's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for that portion marked "unaudited," has been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Deloitte & Touche LLP

April 5, 2021

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 105,016,120	\$ 165,013,737
Restricted cash	5,525,076	7,317,628
Short-term investments	5,721,293	4,027,359
Accounts receivable—net of allowance for doubtful accounts of \$7,543,482 and \$4,374,255 in 2020 and 2019, respectively	41,416,736	36,304,089
Settlement receivables—net of allowance for doubtful accounts of \$0 and \$45,520 in 2020 and 2019, respectively	86,884,404	73,228,751
Terminals and inventory	3,577,243	4,427,591
Prepaid expenses	5,529,619	4,584,873
Capitalized customer acquisition costs—net	5,446,092	4,593,476
Other current assets	<u>1,343,561</u>	<u>2,017,580</u>
Total current assets	<u>260,460,144</u>	<u>301,515,084</u>
BUILDINGS, LAND, LEASEHOLD IMPROVEMENTS AND EQUIPMENT—		
At cost, less accumulated depreciation of \$28,970,976 and \$26,271,132 in 2020 and 2019, respectively	<u>13,451,186</u>	<u>16,346,875</u>
OTHER NONCURRENT ASSETS:		
Goodwill—net	270,783,272	313,469,763
Other intangible assets—net	46,616,912	69,681,999
Indefinite life intangible	48,373,815	48,373,815
Capitalized customer acquisition costs—net	12,563,202	10,214,006
Other noncurrent assets	<u>1,977,524</u>	<u>2,849,159</u>
Total other noncurrent assets	<u>380,314,725</u>	<u>444,588,742</u>
TOTAL ASSETS	<u>\$ 654,226,055</u>	<u>\$ 762,450,701</u>

(Continued)

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
LIABILITIES AND EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable	\$ 25,899,178	\$ 37,472,047
Settlement payables	108,318,288	101,996,798
Accrued wages and benefits	15,740,976	12,383,541
Accrued expenses	33,233,616	22,993,022
Income taxes payable	499,947	2,002,183
Current portion of long-term debt	6,368,000	6,368,000
Contingent consideration	914,286	-
Total current liabilities	<u>190,974,291</u>	<u>183,215,591</u>
LONG-TERM LIABILITIES:		
Contingent consideration	4,272,292	5,552,000
Long-term debt, net	604,219,805	608,059,178
Redeemable preferred, Class A shares, including accretion of \$2,844,084 and \$5,519,173, respectively	43,510,751	127,519,173
Other long-term liabilities	<u>1,259,601</u>	<u>892,025</u>
Total long-term liabilities	<u>653,262,449</u>	<u>742,022,376</u>
Total liabilities	<u>844,236,740</u>	<u>925,237,967</u>
EQUITY (DEFICIT):		
Common stock—\$1 par value; authorized 60,000 shares; issued and outstanding 100 shares at December 31, 2020 and 2019	100	100
Profit incentive units, Class C	28,000,000	28,000,000
Retained deficit	(217,442,410)	(190,423,307)
Accumulated other comprehensive (loss) income	<u>(68,211)</u>	<u>97,293</u>
NAB Holdings, LLC's shareholders' equity (deficit)	(189,510,521)	(162,325,914)
Noncontrolling interest	<u>(500,164)</u>	<u>(461,352)</u>
Total equity (deficit)	<u>(190,010,685)</u>	<u>(162,787,266)</u>
TOTAL LIABILITIES AND EQUITY (DEFICIT)	<u>\$ 654,226,055</u>	<u>\$ 762,450,701</u>
See accompanying notes.		(Concluded)

NAB HOLDINGS, LLC AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
REVENUES	\$ 449,220,117	\$ 483,166,351
COST OF SERVICES	53,576,647	64,247,904
DEPRECIATION AND AMORTIZATION	81,118,525	90,854,494
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>260,505,464</u>	<u>273,828,719</u>
EARNINGS FROM OPERATIONS	54,019,481	54,235,234
OTHER INCOME (EXPENSE):		
Interest expense	(42,852,131)	(56,143,282)
Interest income	1,097,589	2,230,779
Loss on extinguishment of redeemable preferred, Class A	(28,033,175)	-
Accretion of redeemable preferred, Class A shares	(1,958,403)	(2,411,660)
Other	<u>105,825</u>	<u>(3,536,570)</u>
Total other expenses	<u>(71,640,295)</u>	<u>(59,860,733)</u>
NET LOSS BEFORE INCOME TAXES	(17,620,814)	(5,625,499)
INCOME TAX (EXPENSE)	<u>(5,193,004)</u>	<u>(4,605,759)</u>
NET LOSS	(22,813,818)	(10,231,258)
LESS NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>9,594,152</u>	<u>8,179,096</u>
NET LOSS ATTRIBUTABLE TO NAB HOLDINGS, LLC	<u>\$ (32,407,970)</u>	<u>\$ (18,410,354)</u>

See accompanying notes.

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
NET LOSS	\$(22,813,818)	\$(10,231,258)
OTHER COMPREHENSIVE (LOSS) INCOME - Foreign currency translation adjustment	<u>(99,771)</u>	<u>118,292</u>
COMPREHENSIVE LOSS	(22,913,589)	(10,112,966)
COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>9,555,340</u>	<u>8,207,709</u>
COMPREHENSIVE LOSS ATTRIBUTABLE TO NAB HOLDINGS, LLC	<u><u>\$(32,468,929)</u></u>	<u><u>\$(18,320,675)</u></u>

See accompanying notes.

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT) FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Common Stock	Profit Incentive Units, Class C	Retained (Deficit)	Accumulated Other Comprehensive (Loss) Income	NAB Holdings, LLC Shareholders' Equity (Deficit)	Noncontrolling Interest	Total Equity (Deficit)
BALANCE—January 1, 2019	\$ 100	\$ 28,000,000	\$ (167,952,244)	\$ (93,379)	\$ (140,045,523)	\$ (489,965)	\$ (140,535,488)
Net (loss) income	-	-	(18,410,354)	-	(18,410,354)	8,179,096	(10,231,258)
Foreign currency translation	-	-	(100,993)	190,672	89,679	28,613	118,292
Distributions to shareholder - net	-	-	(3,959,716)	-	(3,959,716)	-	(3,959,716)
Distributions to noncontrolling interest	-	-	-	-	-	(8,179,096)	(8,179,096)
BALANCE—December 31, 2019	100	28,000,000	(190,423,307)	97,293	(162,325,914)	(461,352)	(162,787,266)
Net (loss) income	-	-	(32,407,970)	-	(32,407,970)	9,594,152	(22,813,818)
Foreign currency translation	-	-	104,545	(165,504)	(60,959)	(38,812)	(99,771)
Contributions from shareholder - net	-	-	5,284,322	-	5,284,322	-	5,284,322
Distributions to noncontrolling interest	-	-	-	-	-	(9,594,152)	(9,594,152)
BALANCE—December 31, 2020	\$ 100	\$ 28,000,000	\$ (217,442,410)	\$ (68,211)	\$ (189,510,521)	\$ (500,164)	\$ (190,010,685)

See accompanying notes.

CONFIDENTIAL

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
OPERATING ACTIVITIES:		
Net loss	\$ (22,813,818)	\$ (10,231,258)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Loss on disposal of assets	791,526	703,343
Depreciation and amortization	81,118,525	90,854,494
Bad debt expense	136,927	544,692
Noncash interest expense and other	2,923,914	2,923,914
Accretion of redeemable preferred, Class A units	1,958,403	2,411,660
Loss on extinguishment of redeemable preferred, Class A	28,033,175	-
Net change in:		
Short-term investments	(1,693,935)	(4,027,359)
Accounts receivable—net	(2,512,561)	13,074,084
Settlement receivables	(13,655,653)	3,239,758
Terminals	1,515,033	(859,542)
Prepaid expenses	(889,299)	(1,280,103)
Other assets	942,989	3,191,347
Accounts payable	(11,632,262)	6,284,856
Settlement payables	6,321,490	6,819,091
Accrued wages and benefits	3,272,672	1,150,477
Accrued expenses and other liabilities	<u>8,078,113</u>	<u>(17,153,115)</u>
Net cash provided by operating activities	<u>81,895,239</u>	<u>97,646,339</u>
INVESTING ACTIVITIES:		
Acquisition of buildings, land, and equipment	(1,317,274)	(4,004,977)
Payment of customer acquisition costs	(14,068,743)	(11,921,451)
Net proceeds from sale of assets	-	3,825
Acquisitions of businesses	<u>(3,621,561)</u>	<u>(21,252,000)</u>
Net cash used in investing activities	<u>(19,007,578)</u>	<u>(37,174,603)</u>

(Continued)

NAB HOLDINGS, LLC AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
FINANCING ACTIVITIES:		
Repayment of debt	\$ (6,368,000)	\$ (6,368,000)
Repurchase of redeemable preferred, Class A	(114,000,000)	-
Shareholder contributions (distributions)—net	5,284,322	(3,959,716)
Distributions to noncontrolling interest	<u>(9,594,152)</u>	<u>(8,179,096)</u>
Net cash used in financing activities	<u>(124,677,830)</u>	<u>(18,506,812)</u>
Net (decrease) increase in cash, cash equivalents and restricted cash	(61,790,169)	41,964,924
Cash, cash equivalents and restricted cash—beginning of year	<u>172,331,365</u>	<u>130,366,441</u>
Cash, cash equivalents and restricted cash—end of year	<u>\$ 110,541,196</u>	<u>\$ 172,331,365</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	<u>\$ 42,918,719</u>	<u>\$ 53,220,076</u>
Cash paid for taxes	<u>\$ 6,696,914</u>	<u>\$ 2,299,912</u>
See accompanying notes.		(Concluded)

NAB HOLDINGS, LLC AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

1. DESCRIPTION OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business—North American Bancard, LLC, North American Bancard Holdings, Inc., NAB Intermediate Holdings, LLC, NAB-Pay Anywhere, LLC, NAB-Phone Swipe, LLC, Point and Pay, LLC, Payment Processing Technologies, LLC, NAB-Patriot, LLC, 5967 Ventures, LLC, First Choice Payment Solutions, G.P. (NAB-FCPS, LLC), 250 Commerce, LLC, EPX Acquisition Company, LLC, Pay Anywhere of Texas, LLC, NAB-Inovio Payments, LLC and NAB-TMS, LLC are wholly or majority-owned subsidiaries of NAB Holdings, LLC (NAB or the Company) and provide electronic payment processing services to business merchants and governmental agencies located throughout the United States.

Money Machine, LLC, a wholly owned subsidiary of NAB Holdings, LLC, provides convenient automated consumer financial services through its network of automated teller machines (ATMs).

NAB-CDI, LLC, Salido, LLC and Carroll Acquisition Company, LLC are wholly owned subsidiaries of NAB Holdings, LLC, which sell and service point-of-sale systems and payment solutions to customers in the hospitality industry.

Capital for Merchants, LLC and Rapid Capital Finance, LLC are majority-owned subsidiaries of NAB Holdings, LLC that purchased future sales and credit card receivables from merchants, including those of North American Bancard, LLC.

250 Stephenson Associates, LLC, a wholly owned subsidiary of NAB Holdings, LLC, operates as a real estate rental company and rents its facility to North American Bancard, LLC.

COVID-19 Update—In March 2020, the World Health Organization declared a global health pandemic related to the outbreak of a novel coronavirus. In response to the COVID-19 pandemic, government health officials have recommended and mandated at times precautions to mitigate the spread of the virus, including shelter-in-place orders, prohibitions on public gatherings, travel restrictions, and other similar measures. The COVID-19 pandemic adversely affected the Company's financial performance in 2020 and could have an impact throughout fiscal year 2021. The Company has experienced, and may continue to experience, unpredictable reductions in volume, as well as the potential for restrictions on its operations. There is uncertainty around the duration and breadth of the COVID-19 pandemic, as well as the impact it will have on the Company's operations and future volumes. As a result, the ultimate impact on the Company's business, financial condition or operating results cannot be reasonably estimated at this time.

Principles of Consolidation—The Company consolidates into its financial statements the accounts of the Company, all wholly owned subsidiaries and any partially owned subsidiary that the Company has the ability to control and the Company is the primary beneficiary.

These consolidated financial statements have been prepared on the historical cost basis in accordance with U.S. generally accepted accounting principles (U.S. GAAP). All intercompany transactions have been eliminated in consolidation. As discussed below, the Company also consolidates any entity for which it has a variable interest and based solely on the power to direct the activities and significant

participation in the entity's expected results that would not otherwise be consolidated based on control through voting interest.

Concentrations—The Company's EPX Acquisition Company, LLC (EPX) subsidiary processes the majority of the Company's merchant processing activity on its proprietary platform. The use of EPX's platform has reduced the volume processed by, and reliance upon, two third-party processing vendors, which historically processed a larger portion of the Company's transactions. The Company believes that these third-party vendors maintain appropriate backup systems and alternative arrangements to avoid a significant disruption of processing services in the event of an unforeseen circumstance.

The vast majority of the Company's revenue is derived from processing Visa, MasterCard, American Express and Discover bank card transactions. Because the Company is not a "member bank" as defined by Visa, MasterCard, American Express and Discover, in order to process these bank card transactions, the Company has entered into sponsorship agreements with four banks. The agreements with the bank sponsors require, among other things, that the Company abide by the bylaws and regulations of Visa, MasterCard, American Express and Discover. If the Company breaches the sponsorship agreements, the bank sponsors may terminate the agreements, and under the terms of the agreements, the Company would have 180 days to identify an alternative bank sponsor. The Company is dependent on its bank sponsors and card associations for notification of any compliance breaches.

Use of Estimates—The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and cash equivalents—Cash and cash equivalents consists primarily of cash on deposit and short-term, highly liquid investments with original maturities of three months or less.

Restricted Cash—At December 31, 2020 and 2019, the Company held restricted cash totaling \$5,525,076 and \$7,317,628, respectively. This represents merchant funds that will settle directly to its merchants through its EPX, NAB-Pay Anywhere, LLC and NAB-Phone Swipe, LLC subsidiaries, as well as \$1,834,100 and \$2,378,764, respectively, of cash held by MAGCAP, as further described in Variable Interest Entities below. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheets that sum to the total of the same such amounts shown in the statement of cash flows.

	2020	2019
Cash and cash equivalents	\$ 105,016,120	\$ 165,013,737
Restricted cash	<u>5,525,076</u>	<u>7,317,628</u>
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	<u>\$ 110,541,196</u>	<u>\$ 172,331,365</u>

Correction of Prior Period Statement of Cash Flows

Subsequent to the issuance of the consolidated 2019 financial statements, the Company determined that it inadvertently failed to adopt the provisions of Accounting Standards Update No. 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash ("ASU2016-18")* on January 1, 2019. ASU 2016-18 requires restricted cash and restricted cash equivalents be included with cash and cash equivalents when reconciling the total beginning and ending amounts on the statement of cash flows. The standard also requires companies who report cash and restricted cash separately on the balance sheet to

reconcile those amounts to the statement of cash flows. As a result, the 2019 statement of cash flows has been restated from the amounts previously reported to remove the restricted cash net change of \$2,707,183 from cash flows from operations and net increase in cash, and to correctly present the beginning and ending total balance of cash and cash equivalents and restricted cash to include the beginning and ending balance of restricted cash of \$10,024,811 and \$7,317,628, respectively. Management has evaluated the materiality of this error and concluded that it is not material, individually or in the aggregate.

Short-Term Investments—Short-term investments consist of tradeable investments expected to be liquidated within the next 12 months.

Accounts Receivable—Accounts receivable are primarily comprised of amounts due from the Company's processors from revenues earned, net of related interchange and processing fees. The receivables related to business merchants are typically received within 15 days following the end of each month. Accounts are considered past due when payments exceed normal customer payment periods. Amounts deemed uncollectible are written off in the period that determination is made.

Settlement Receivables and Payables—Settlement receivables consist primarily of amounts due from processors associated with the Point and Pay, LLC and EPX subsidiaries.

Individuals and businesses settle their obligations to Point and Pay, LLC's various clients, primarily governmental units, utilities and courts, using credit cards, debit cards or electronic checks. The settlement receivables balance represents amounts due from the processor for such transactions (including any fees due), and the settlement payables balance represents amounts due to clients. These receivables and payables are collected and settled on a daily basis based upon the prescribed funding timelines for the payment forms involved and in accordance with the remittance requirements of the applicable clients.

EPX records a settlement receivable for all fees due from its sponsor bank related to merchants who are directly debited for their fees by EPX. The receivable includes all merchant-related fees such as interchange, assessments and other network fees, as well as EPX fees. EPX records settlement receivables for all merchants who are not directly debited for their monthly interchange and fees. EPX also records a payable to its sponsor bank related to interchange, assessments and other network fees which are funded to the networks directly by the bank. These amounts offset the receivables recorded by EPX as due from its sponsor bank, with the net receivable balance representing EPX's income. Amounts deemed uncollectible are written off in the period that determination is made.

Terminals and Inventory—Terminals and inventory, which includes electronic point-of-sale terminals and related equipment, is stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method.

Capitalized Customer Acquisition Costs—Capitalized customer acquisition costs consist of up-front signing bonuses paid to outside sales agents for establishment of new merchants. The capitalized customer acquisition costs are amortized over the estimated 60-month life of the merchant. Should a merchant cease processing, the unamortized cost is charged against operations in amortization expense. Furthermore, up-front signing bonuses are subject to recapture from independent sales agents should the merchant cease processing within specified time periods.

Buildings, Land, Leasehold Improvements, and Equipment—Buildings, land, leasehold improvements and equipment are recorded at cost. Repairs and maintenance costs are charged to expense as incurred. The Company's policy is to depreciate all buildings, leasehold improvements, and equipment using the straight-line depreciation method over the estimated useful lives of the assets or the life of the lease, whichever is shorter.

Buildings	39.5 years
Building and leasehold improvements	7 years
Computer equipment	5 years
Office furniture and fixtures	7 years
Automated teller machines	5 years
Vehicles	3 years
Computer software	5 years

The Company monitors its long-lived assets for impairment indicators on an ongoing basis and evaluates the carrying value of such assets, in relation to the respective projected future undiscounted cash flows, to assess recoverability. An impairment loss is recognized if the sum of the expected net cash flows is less than the carrying amount of the long-lived assets being evaluated. The difference between the carrying amount of the long-lived assets being evaluated and the fair value, calculated as the sum of the expected cash flows discounted at a market rate, represents the impairment loss.

No impairment losses were recorded in 2020 or 2019. When identified, the Company records impairment losses in selling, general and administrative expenses in its consolidated statements of income.

Goodwill and Indefinite Life Intangible—Goodwill represents the excess of acquisition costs over the fair values of net assets acquired in business combinations. The Company adopted the accounting election in Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-02, *Intangibles-Goodwill and Other (Topic 350): Accounting for Goodwill, a consensus of the Private Company Council*, effective January 1, 2014. Subsequent to the adoption date, the Company amortizes goodwill on a straight-line basis over a ten-year period, as the Company has not deemed another useful life to be more appropriate. As permitted by the standard, the Company applies the simplified impairment model to goodwill, whereas goodwill impairment tests are only required when a triggering event occurs that indicates the carrying amount of goodwill may not be recoverable, and thus, goodwill may be impaired. A significant amount of judgment is involved in determining if an indicator or change in circumstances relating to impairment has occurred. Such changes may include, among others, a significant decline in expected future cash flows, a significant adverse change in legal factors or in the business climate, unanticipated competition, and slower growth rates. When impairment indicators exist, management evaluates the recoverability of goodwill by comparing the carrying value of the Company's reporting units to their fair value. Fair value is determined based on discounted future cash flows.

For intangible assets with indefinite lives, the Company has elected the optional qualitative impairment assessment, as allowed under Accounting Standards Codification (ASC) 350-30-35-18A. The Company has assessed whether it is more likely than not that the carrying amounts of these indefinite-lived intangible assets may not be recoverable. If the quantitative impairment test for an indefinite-lived intangible asset is required, the Company compares the fair value of the asset with its carrying amount. If the carrying amount of an intangible asset exceeds its fair value, the Company recognizes an impairment loss in an amount equal to that excess in selling, general and administrative expenses in its consolidated statements of income.

The quantitative tests were not required and no impairment was indicated in 2020 or 2019.

Other Intangible Assets—Other intangible assets primarily represent technology-related intangible assets (payment card processing platforms), customer-related intangible assets (customer lists and merchant contracts), contract-based intangible assets (noncompete agreements) and trademarks associated with acquisitions. These intangible assets are amortized over their estimated useful lives using forecasted cash flows, terms of the agreement or other applicable factors.

FASB ASU No. 2014-18, *Business Combinations (Topic 805): Accounting for Identifiable Intangible Assets in a Business Combination*, a consensus of the Private Company Council, permits private companies to simplify their accounting by recognizing fewer intangible assets in a business combination. The Company elected to adopt this accounting alternative in 2015.

The Company monitors its other intangible assets for impairment indicators on an ongoing basis and evaluates the carrying value of such assets, in relation to the respective projected future undiscounted cash flows, to assess recoverability. An impairment loss is recognized if the sum of the expected net cash flows is less than the carrying amount of the other intangible assets being evaluated.

The difference between the carrying amount of the other intangible assets being evaluated and the fair value, calculated as the sum of the expected cash flows discounted at a market rate, represents the impairment loss. When identified, the Company records impairment losses in selling, general and administrative expenses in its consolidated statements of income.

The quantitative tests were not required and no impairment was indicated in 2020 or 2019.

Debt Issuance Costs—The costs related to the issuance of long-term debt are deferred and amortized into interest expense over the life of the respective debt issuance using the effective interest method. Deferred amounts associated with debt extinguished prior to maturity are expensed upon extinguishment as a loss on the retirement of debt.

Reserve for Losses on Merchant Accounts—Disputes between a cardholder and a merchant periodically arise as a result of, among other things, cardholder dissatisfaction with either merchandise, quality of merchant services, nondelivery of goods, or nonperformance of services. Such disputes may not be resolved in the merchant's favor.

In these cases, the transaction is "charged back" to the merchant, which means the disputed amount is refunded to the customer through the merchant's acquiring bank and charged to the merchant. If the merchant has inadequate funds, the Company, or under limited circumstances, the Company and the acquiring bank, must bear the credit risk for the full amount of the transaction. The Company maintains deposits from certain merchants as an offset to potential contingent liabilities that are the responsibility of such merchants. In addition, the Company's sponsorship banks hold merchant funds that are available to meet specific merchant charge-back liabilities if the applicable merchant has inadequate funds to meet the obligation.

Revenue Recognition—The Company recognizes revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers*. At contract inception, the Company assesses the goods and services promised in our contracts with merchants and identifies a performance obligation for each promise to transfer to the merchant a good or service that is distinct. In accordance with ASC 606, the Company recognizes revenue when the merchant obtains control of promised services. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled to receive in exchange for these services.

The majority of the Company's revenues are generated from fees (discount) charged to business merchants for card-based payment processing services. The fees are generally based on a percentage of sales and the number of transactions processed each month. Revenue is also derived from miscellaneous service fees, including monthly minimum, statement, annual and other service fees.

Point and Pay, LLC provides card-based processing services to governmental clients, which allow them to offer their constituents (individuals or businesses) the ability to pay certain financial obligations with their credit or debit cards or electronic check, depending on the terms of the arrangement. Revenue is generated in the form of the convenience fee Point and Pay, LLC charges for the electronic payment solutions service provided. Depending on the agreement with the client, the convenience fee can be a fixed fee or a percentage of the payment processed, which is the gross fee charged to the constituents. This amount includes fees paid to the processor, which are included in cost of services on the consolidated statements of income. Revenue is recognized in the month in which the service is provided.

EPX derives its revenues from providing secure front-end and back-end payment processing solutions that utilize tokenization and encryption technologies. For these services, EPX charges its customers fees, which are primarily based on authorization, settled transaction volume and the number of transactions processed, in addition to miscellaneous service and other fees. During 2017, the Company began utilizing EPX's platform to process transactions for certain of its customers, which previously would have been processed by third parties. The related revenues for processing these customers' transactions was recorded by EPX, with the offsetting expense to process these transactions recorded by the Company and certain of its other subsidiaries. In 2020 and 2019, these intercompany revenues and related costs of services amounted to \$19,255,302 and \$13,948,192, respectively, and were eliminated in consolidation.

Capital for Merchants, LLC and Rapid Capital Finance, LLC historically derived revenue from buying merchant-based future sales at a discount and collecting the full face value. At the time of the purchase, Capital for Merchants, LLC's and Rapid Capital Finance, LLC's management estimated the length of time over which the future sales transactions would repay the original purchase price, as well as the discount amount. The aggregate of the original purchase price and the discount amount was the specified amount. The amount of discount was determined by considering the risks of collecting the receivables, cost of operations and required profit. The terms are agreed to by the merchant, and either (1) the merchant satisfies the amount via Automated Clearing House (ACH) transactions or (2) the credit card processing agent is directed to remit the specified percentage of future credit card transactions to Capital for Merchants, LLC and Rapid Capital Finance, LLC until the entire specified amount has been repaid. The specified amount, less syndications and deferred profit, was recorded in purchased receivables at the time of the original transaction. As ACH amounts are received or credit card transactions are processed and funds are transmitted to Capital for Merchants, LLC and Rapid Capital Finance, LLC, purchased receivables balances are reduced by the amount of cash received. At the same time, the deferred profit is recognized as gross revenue based on the percentage relationship between the discount and the specified amount at the time the agreement was signed. These entities have not originated new advances since June 2017 and currently only service the advances with remaining balances.

For card-based payment processing services, the nature of the Company's performance obligation to the merchant is to stand ready to process transactions over the contract term, and therefore, the evaluation of the performance obligation is focused on each time increment rather than the underlying activities. The Company views the payment processing services to comprise a series of distinct days of

service that are substantially the same and have the same pattern of transfer to the customer. Given the nature of the performance obligation and the underlying fees based on unknown quantities or outcomes of services to be performed over the contract term, the total consideration is determined to be variable consideration. The variable consideration for payment service is usage-based, and therefore, it specifically relates to efforts to satisfy the payment services obligation. The variability is satisfied each day the service is provided to the merchant. The Company directly ascribes variable fees to the distinct day of service to which it relates, and considers the services performed each day in order to ascribe to appropriate amount of total fees to that day. The Company measures revenues for payment service on a daily basis based on the services that are performed on that day.

The Company does not have the ability to direct the use of and obtain substantially all of the benefits of the services provided by the card issuing financial institutions and payment networks before those services are transferred to the merchant, and on that basis, the Company reflects revenue net of certain fees charged by payment processors, including interchange, network, and association fees.

Cost of Services—Cost of services includes costs incurred from the Company's transaction processors, as well as merchant losses, equipment deployments, gateway expenses and other miscellaneous charges that directly relate to providing services to customers. The Company recorded losses on merchant accounts, net of recoveries, of \$12,192,142 and \$18,697,053 in 2020 and 2019, respectively. The Company recorded processor expenses related to transactions processed on its EPX platform in the amount of \$7,949,537 and \$10,340,738 in 2020 and 2019, respectively. These processing expenses are included in cost of services on the consolidated statement of income.

Selling, general and administrative expenses – Selling, general and administrative expenses consist primarily of salaries, wages and related expenses paid to employees, residual expenses paid to sales agents, as further described below, legal and professional fees, other outside services, advertising costs, as further described below, occupancy costs and all other expenses incurred in the selling and servicing of customers.

Residual Expense—Residual expense paid to sales agents is based on individual contract terms and calculated based on the current period processing volume and other factors. For the years ended December 31, 2020 and 2019, residual expense of \$109,825,178 and \$115,201,239, respectively, was recorded in selling, general and administrative expenses in the consolidated statements of income.

Advertising Costs—The Company expenses advertising costs as incurred. For the years ended December 31, 2020 or 2019, advertising costs were \$2,388,202 and \$3,185,160, respectively. Advertising expenses are included in selling, general and administrative expenses in the consolidated statements of income.

Income Taxes—NAB Holdings, LLC and its subsidiaries are organized as limited liability companies in accordance with Michigan and Delaware law, with the exception of North American Bancard Holdings, Inc., which is organized as an S-Corporation. A limited liability company and an S-Corporation are generally not subject to federal tax. Therefore, there is no provision for U.S. federal and state income taxes, since income is taxed at the individual member or shareholder level. The Company does incur income tax expense in Canada related to its interest in the First Choice Payment Solutions, G.P., as further described in Noncontrolling Interest below.

Noncontrolling Interest—First Choice Payment Solutions, G.P. (The Partnership) is a general partnership organized under Canadian law. The Company's NAB-FCPS, LLC subsidiary is a partner in First Choice Payment Solutions, G.P. Noncontrolling interest represents the noncontrolling shareholder's

share of the equity and after-tax net income or loss of consolidated subsidiaries, First Choice Payment Solutions, G.P. Noncontrolling shareholder's share of after-tax net income or loss of consolidated subsidiaries is included in net income attributable to noncontrolling interest in the consolidated statements of income.

Variable Interest Entities—The Company is the primary beneficiary of the insurance policies issued by MAGCAP, Ltd., which qualifies as a variable interest entity. Accordingly, the assets, liabilities, revenues and expenses of MAGCAP, Ltd. have been included in the accompanying consolidated financial statements. The entity was formed in 2015 as a captive insurance company in order to insure the potential losses of the Company. As of December 31, 2020 or 2019, MAGCAP, Ltd. had assets of \$7,580,091 and \$6,419,659, respectively, and liabilities of \$2,516,317 and \$2,611,120, respectively. For the years ended December 31, 2020 or 2019, MAGCAP, Ltd. had revenues of \$1,377,418 and \$1,880,777, respectively, and net income of \$1,255,235 and \$1,621,428, respectively. Included in consolidated assets of MAGCAP, Ltd. at December 31, 2020, are cash and cash equivalents of \$1,834,100, short-term investments of \$5,721,293 and other assets of \$24,698, while consolidated liabilities include \$1,253,513 of unearned premium and \$772,603 of reserves, which are related to insurance premiums paid by the Company, as well as other liabilities of \$490,201.

Foreign Currency Translation—Revenue and expense items arising from transactions in foreign currencies are converted into the functional currency at the rates in effect on the transaction dates. Exchange gains or losses arising from transactions in foreign currencies are recognized in the consolidated statements of income.

Assets and liabilities are translated into United States dollars at the rates in effect at the consolidated balance sheet date; equity items are translated at the rates in effect on transaction dates. Income statement items are translated at the average rates for the period covered. Exchange gains or losses arising from translations are recognized in accumulated other comprehensive (loss) income.

Accounting Standards Not Yet Adopted—In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, amending the existing accounting standards for lease accounting and requiring lessees to recognize lease assets and lease liabilities for all leases with lease terms of more than 12 months, including those classified as operating leases. Both the asset and liability will initially be measured at the present value of the future minimum lease payments, with the asset being subject to adjustments such as initial direct costs. Consistent with current U.S. GAAP, the presentation of expenses and cash flows will depend primarily on the classification of the lease as either a finance or an operating lease. The new standard also requires additional quantitative and qualitative disclosures regarding the amount, timing and uncertainty of cash flows arising from leases in order to provide additional information about the nature of an organization's leasing activities. This ASU is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2021 for nonpublic companies and requires modified retrospective application. Adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, amending how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The guidance requires the application of a current expected credit loss model which is a new impairment model based on expected losses. Under this model, an entity recognizes an allowance for expected credit losses based on historical experience, current conditions and forecasted information rather than the current methodology of delaying recognition of credit losses until it is

probable a loss has been incurred. This ASU is effective for interim and annual reporting periods beginning after December 15, 2022 for nonpublic companies with early adoption permitted. The Company is currently evaluating the impact of the new guidance on its consolidated financial statements and related disclosures.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This guidance provides for temporary optional expedients and exceptions to the current guidance on certain contract modifications and hedging relationships to ease the burdens related to the expected market transition from the London Inter-bank Offered Rate (“LIBOR”) or other reference rates to alternative reference rates. The guidance is effective upon issuance and can be applied through December 31, 2022. The Company is currently evaluating the impact of the new guidance on its consolidated financial statements and related disclosures.

2. ACQUISITIONS

On February 12, 2019, the Company acquired the assets and certain liabilities of Salido, Inc. (Salido) for an aggregate consideration of \$20,052,000. Salido develops, sells and services point-of-sale systems and payment solutions to customers in the hospitality industry. The purchase of Salido expands the Company’s point-of-sale offerings and presence within the hospitality industry. The aggregate consideration of \$20,052,000 includes (1) \$14,500,000 of cash payments, and (2) potential earn-out payments totaling \$14,000,000 in three separate tranches of \$2,800,000, \$5,600,000 and \$5,600,000, which are dependent upon the achievement of certain revenue targets. The potential earn-out payments range between \$0 and \$14,000,000, with the fair value of the potential earn-out payments totaling \$4,557,000 and \$5,552,000 as of December 31, 2020 and December 31, 2019, respectively, which has been recorded as a liability on the Company’s consolidated balance sheets. The Company recorded the preliminary fair value of the assets acquired and liabilities assumed, totaling \$9,698,914, on the acquisition date, which are shown on the table below, along with the residual goodwill recorded in the amount of \$10,353,086. The results of Salido, LLC are included in the Company’s results beginning on the date the Company completed the acquisition.

The table below identifies the amounts recognized, as of the acquisition date, for each major class of assets acquired and liabilities assumed related to the Company’s acquisition of Salido, along with the resultant goodwill recognized:

Accounts receivable—net	\$ 62,461
Terminals and inventory	12,888
Fixed assets	172,959
Other intangible assets	9,428,000
Other noncurrent assets	91,614
Accounts payable	(15,133)
Deferred revenue	(53,875)
	<hr/>
Total fair value of identifiable assets and liabilities	9,698,914
Goodwill	<u>10,353,086</u>
Total	<u>\$ 20,052,000</u>

On August 30, 2019, the Company, through its NAB-CDI, LLC subsidiary, acquired the assets and certain liabilities of ACR Systems, Inc. for \$1,200,000 in cash. The purchase of ACR Systems, Inc. expands NAB-CDI, LLC's presence in the sales and servicing of point of sales systems to customers in the hospitality industry. The fair value of identifiable assets and liabilities acquired was \$1,200,000, consisting of a customer based intangible asset of \$1,167,859, accounts receivable of \$48,387, terminals and inventory of \$15,160, fixed assets of \$17,300, accounts payable of \$1,032 and deferred revenue of \$47,674.

On October 30, 2020, the Company acquired the assets and certain liabilities of Carroll Business Systems, Inc. for \$3,621,561, including the initial cash purchase price of \$2,970,000, a payment holdback of \$630,000 to potentially be paid at a later date depending on the achievement of certain financial performance metrics, and a subsequent net working capital adjustment payment of \$21,561. The purchase of Carroll Business Systems, Inc. further expands the Company's presence in the sales and servicing of point of sales systems to customers in the hospitality industry. The fair value of identifiable assets and liabilities acquired was \$3,621,561, consisting of a customer based intangible asset of \$3,278,271, accounts receivable of \$355,054, terminals and inventory of \$664,685, fixed assets of \$45,339, other current assets of \$84,765, accounts payable of \$59,394, deferred revenue of \$644,636 and other current liabilities of \$102,523.

The total amount of goodwill recorded in the Company's acquisitions is deductible for tax purposes over 15 years.

3. BUILDINGS, LAND, LEASEHOLD IMPROVEMENTS AND EQUIPMENT

The principal categories of buildings, land, leasehold improvements, and equipment may be summarized as follows:

	2020	2019
Buildings and building improvements	\$ 14,519,113	\$ 15,104,294
Computer equipment	11,597,625	8,482,147
Office furniture and fixtures	3,923,484	4,548,225
Computer software	10,031,285	9,978,493
Vehicles	36,001	12,819
ATMs	7,023	7,023
Land	1,084,079	1,084,079
Construction in progress	<u>1,223,552</u>	<u>3,400,927</u>
 Total cost	 42,422,162	 42,618,007
 Less accumulated depreciation	 <u>28,970,976</u>	 <u>26,271,132</u>
 Buildings, land, leasehold improvements, and equipment—net	 <u>\$ 13,451,186</u>	 <u>\$ 16,346,875</u>

Depreciation expense for the years ended December 31, 2020 and 2019, amounted to \$3,466,777 and \$3,686,405, respectively.

4. CAPITALIZED CUSTOMER ACQUISITION COSTS

Capitalized customer acquisition costs related to active merchants at December 31, 2020 and 2019, consist of the following:

	2020	2019
Total cost	\$ 26,119,531	\$ 21,086,341
Less accumulated amortization	<u>(8,110,237)</u>	<u>(6,278,859)</u>
Capitalized customer acquisition costs—net	<u>\$ 18,009,294</u>	<u>\$ 14,807,482</u>
Short-term capitalized customer acquisition costs	\$ 5,446,092	\$ 4,593,476
Long-term capitalized customer acquisition costs	<u>12,563,202</u>	<u>10,214,006</u>
Capitalized customer acquisition costs—net	<u>\$ 18,009,294</u>	<u>\$ 14,807,482</u>

Amortization expense totaled \$8,621,898 and \$9,348,933 for the years ended December 31, 2020 and 2019, respectively. Estimated future amortization expense is based on capitalized customer acquisition costs recorded as of December 31, 2020. Actual amounts will increase if additional capitalized customer acquisition costs are incurred.

As of December 31, 2020, estimated amortization expense for each of the five succeeding years is as follows:

Year Ending December 31		
2021		\$ 5,446,092
2022		4,924,055
2023		4,025,689
2024		2,678,336
2025		<u>935,122</u>
Total		<u>\$ 18,009,294</u>

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill consists of the following as of December 31:

January 1, 2019	\$ 345,716,893
Additions	10,353,086
Amortization	<u>(42,600,216)</u>
December 31, 2019	313,469,763
Additions	-
Amortization	<u>(42,686,491)</u>
December 31, 2020	<u>\$ 270,783,272</u>

The total gross carrying amount of goodwill as of both December 31, 2020 and 2019, was \$427,624,805. Total amortization expense related to goodwill recorded in 2020 and 2019, was \$42,686,491 and \$42,600,216, respectively. Total accumulated amortization expense related to goodwill as of December 31, 2020 and 2019, was \$156,841,533 and \$114,155,042, respectively.

Estimated future amortization expense is based on goodwill amounts recorded as of December 31, 2020. Actual amounts will increase if additional goodwill is acquired. As of December 31, 2020, estimated amortization expense attributable to goodwill for each of the five succeeding years, and thereafter, is as follows:

Year Ending December 31	
2021	\$ 42,686,491
2022	42,686,491
2023	42,686,491
2024	42,047,286
2025	39,614,910
Thereafter	<u>61,061,603</u>
Total	<u>\$ 270,783,272</u>

Other definite-lived intangible assets consist of the following as of December 31:

	2020	2019	Amortization Life
Other intangible assets:			
Merchant contracts and customer lists	\$ 168,061,739	\$ 164,783,468	3–15 years
Trademark	9,222,000	9,222,000	10–15 years
Technology	25,363,000	25,363,000	5–10 years
Sales representative agreements	345,000	345,000	5 years
Noncompete agreements	<u>379,000</u>	<u>379,000</u>	2–5 years
Total cost	<u>203,370,739</u>	<u>200,092,468</u>	
Accumulated amortization of:			
Merchant contracts and customer lists	129,262,909	103,762,770	
Trademark	2,858,533	2,297,400	
Technology	23,908,385	23,626,299	
Sales representative agreements	345,000	345,000	
Noncompete agreements	<u>379,000</u>	<u>379,000</u>	
Total accumulated amortization	<u>156,753,827</u>	<u>130,410,469</u>	
Other intangible assets—net	<u>\$ 46,616,912</u>	<u>\$ 69,681,999</u>	

Amortization expense attributable to other intangible assets totaled \$26,343,359 and \$35,218,941 for the years ended December 31, 2020 and 2019, respectively. Estimated future amortization expense is based on other intangible amounts recorded as of December 31, 2020. Actual amounts will increase if additional amortizable assets are acquired.

As of December 31, 2020, estimated amortization expense attributable to other intangible assets for each of the five succeeding years, and thereafter, is as follows:

Year Ending December 31	
2021	\$ 23,991,441
2022	12,819,913
2023	1,871,163
2024	1,699,688
2025	1,366,445
Thereafter	<u>4,868,262</u>
Total	<u>\$ 46,616,912</u>

As of both December 31, 2020 and 2019, the Company had \$48,373,815 in license agreements predominately related to trade names from the acquisitions of Total Merchant Services, Inc. (TMS) and 5967 Ventures, LLC. The Company considers these license agreements to have indefinite lives, and therefore, are not subject to amortization. During 2020 or 2019, there were no triggering events that indicated that indefinite-lived intangible assets may have become impaired.

6. DEBT AND FINANCIAL INSTRUMENTS

On June 30, 2017, the Company entered into a Credit Agreement (the 2017 Credit Agreement) with Credit Suisse, AG, Cayman Islands Branch as Administrative Agent and Collateral Agent. The 2017 Credit Agreement contains a seven-year, \$640 million term facility and a five-year, \$75 million revolving facility, of which up to \$10 million is available through a subfacility in the form of letters of credit. The term facility has mandatory amortization of 1% per year in addition to certain defined excess cash flow recapture provisions.

Under the terms of the 2017 Credit Agreement, two Irrevocable Standby letters of credit totaling \$2.5 million were issued to cover the payment of any and all current or future liabilities as a result of, or in connection with, the provision of services by BMO Harris Bank, N.A. and/or any of its affiliates to the Company under BIN sponsorship arrangements. Additionally, letters of credit were also issued to a third-party processor in the amount of \$1.2 million and to a PIN debit sponsor in the amount of \$0.1 million. The term facility interest rates under the 2017 Credit Agreement are calculated, at NAB's option, at either the Adjusted LIBOR (the greater of either 1.00% or the product of the LIBOR in effect and any Statutory Reserves) plus 3.50% subject to one decline of 0.25%, upon meeting a Senior Secured Net Leverage ratio equal to 3.25 or less, or the Alternate Base Rate (which is the lender's prime rate, that is based upon the Federal Funds rate, plus 2.50%). The Company also paid a quarterly commitment fee equal to 0.50% on the unused portion of the revolving facility, which can decline to 0.375% of such unused portion based upon the leverage ratio as determined in accordance with the related pricing grid set forth in the 2017 Credit Agreement. As of December 31, 2017, the Company achieved the necessary leverage ratios resulting in reductions in both the term facility interest rate and the commitment fee on the unused portion of the revolving facility.

On January 3, 2018, the Company repriced the debt outstanding on its term loan due to favorable market conditions. As part of the repricing transaction, the Company was able to further reduce the interest rate on its credit facility to LIBOR plus 3.00%, subject to one decline of 0.25% upon meeting a

senior secured net leverage ratio equal to 2.75 or less, or the Alternate Base Rate (which is the lender's prime rate, that is based upon the Federal Funds rate) plus 2.00%.

The 2017 Credit Agreement contains certain customary covenants that, subject to certain exceptions, set limitations on the Company's dividends on, and redemptions and repurchases of, equity interests and other restricted payments; limitations on prepayments, redemptions and repurchases of debt (other than loans under the credit facility); limitations on liens; limitations on loans and investments; limitations on debt and guarantees; limitations on mergers, acquisitions and asset sales; limitations on transactions with affiliates; limitations on changes in business conducted by the Company; limitations on restrictions on ability of subsidiaries to pay dividends or make distributions; limitations on amendments of debt and other material agreements, including any processing agreements; and limitations on capital expenditures, in each case, subject to customary exceptions, qualifiers (including for materiality), and baskets to be set forth in the 2017 Credit Agreement. The majority of the Company's assets are pledged as collateral for the Credit Agreement.

In addition, under both the Amended and Restated Credit Agreement and the 2017 Credit Agreement, NAB is required to comply (subject to a right to cure in certain circumstances) with specified financial ratios and tests. As of December 31, 2020 and 2019, the Company was in compliance with all of its covenants.

Long-term debt consisted of the following as of December 31:

Year Ending December 31:	2020	2019
Term facility outstanding	\$ 619,288,000	\$ 625,656,000
Less: Unamortized discount	(1,927,797)	(2,521,454)
Less: Unamortized debt issuance costs	<u>(6,772,398)</u>	<u>(8,707,368)</u>
 Total long-term debt—net	 610,587,805	 614,427,178
Less: Current portion of long-term debt	<u>(6,368,000)</u>	<u>(6,368,000)</u>
 Long-term debt—net of current portion	 <u>\$ 604,219,805</u>	 <u>\$ 608,059,178</u>

The maturities of long-term debt (before unamortized discount and debt issuance costs of \$1,927,797 and \$6,772,398, respectively) as of December 31, 2020, are as follows:

Year Ending December 31	
2021	\$ 6,368,000
2022	6,368,000
2023	6,368,000
2024	<u>600,184,000</u>
 Total	 <u>\$ 619,288,000</u>

There are no requirements to hedge risks caused by fluctuations in interest rates in connection with the 2018 Credit Agreement.

7. CLASS A AND CLASS C UNITS

On June 30, 2017, NAB issued \$150 million of Class A Units in NAB, specifically NAB Intermediate Holdings, LLC, a subsidiary of NAB Holdings, LLC, to certain entities controlled by funds affiliated with The Blackstone Group, L.P. (collectively referred to as “Blackstone” or “Preferred Purchaser”) pursuant to a Unit Purchase Agreement. NAB issued 150,000 Class A Units to the Preferred Purchaser at a price of \$1,000 per Class A Unit (the “Per Unit Purchase Price”). The Class A Units entitle the Preferred Purchaser to receive cumulative dividends at a rate of 12% per year, compounding annually. Dividends on the Class A Units will accrue to the Unreturned Class A Preferred Amount or may be paid in cash at the Company’s election, subject to compliance with applicable law and applicable indebtedness covenants. The Class A Units have a mandatory repurchase date not more than eight years following the date of issuance (subject to earlier mandatory repurchase upon the occurrence of a company sale). These Class A Units are classified as a liability in the Company’s consolidated balance sheets.

On June 30, 2020, the Company paid Blackstone \$114,000,000 as redemption of 100,000 of the Class A Units, which at the time of redemption, had an accreted value of \$85,966,825. This resulted in a loss in the amount of \$28,033,175, which is reflected as loss on extinguishment of redeemable preferred, Class A on the Company’s consolidated statements of income.

During 2020 and 2019, the Company incurred and paid interest expense related to the Class A Units in the amount of \$15 million and \$18 million, respectively, which was recorded as interest expense in the Company’s consolidated statements of income. The remaining Class A Units of \$50 million are due on June 30, 2025.

NAB Intermediate Holdings, LLC also issued Class C Common Units (the “Profit Incentive Units” or “Class C Units”) that provide economic incentives to the Preferred Purchasers (the Class C Units provide for a 15% economic interest in distributions made by NAB Intermediate Holdings, LLC in excess of (1) amounts paid to the Class A Units plus (2) a participation threshold, which participation threshold was initially \$609,702,687, and is subject to adjustment in accordance with the limited liability company of NAB Intermediate Holdings, LLC). The Class C Units are classified as Profit Incentive Units in equity in the Company’s consolidated balance sheets and are contingently redeemable.

The Class A Units are not convertible into any other class of equity interests. In addition, NAB Intermediate Holdings, LLC has the ability to redeem at any time (subject to compliance with its debt agreements and the applicable terms of its limited liability company agreement) all or any portion of the Class A Units for cash. The redemption price for each outstanding Preferred Share is equal to the greater of (1) a minimum return amount per unit (adjusted based on the time elapsed since the date of issuance in accordance with the limited liability company agreement) and (2) the invested capital (\$1,000 per Class A Unit) with respect to such Class A Units plus the value of any accrued and unpaid distributions with respect to such Class A Units (less the amount of any prior distributions to such Class A Units). The Class A Units are redeemable by NAB in minimum increments of \$25 million.

The terms of the Class A Units contain certain restrictions on NAB Intermediate Holdings, LLC’s ability to pay dividends or distributions on its common units other than for (1) customary tax distributions, (2) distributions to North American Bancard Holdings, Inc. of up to \$2.5 million per year, consistent with past practice, and (3) distributions to pay amounts due pursuant to indebtedness incurred in connection with the credit facility utilized in connection with the TMS acquisition (“Allowed Distributions”).

Except for certain matters expressly set forth in the limited liability company agreement of NAB Intermediate Holdings, LLC, the Class A Units, Class B Common Units and Class C Common Units of NAB Intermediate Holdings, LLC are all non-voting. Unless and until North American Bancard Holdings, Inc. elects to appoint a board of NAB Intermediate Holdings, LLC, NAB Intermediate Holdings, LLC will be managed by North American Bancard Holdings, Inc. as its managing member. The holders of the Class A Units do however have other customary approval rights with respect to material decisions including: (i) changes of the terms of the limited liability company agreement of NAB Intermediate Holdings, LLC (including the terms of the Class A Units and Class C Units), (ii) any issuance of any new class or series of equity securities pari passu in ranking or senior to the Class A Units, other than any such equity securities the proceeds of which are used to redeem the Class A Units in full, (iii) any issuance of any new class or series of equity securities other than (A) those referenced in clause (ii) above, (B) any such equity securities the proceeds of which are used to redeem the Class A Units and Class C Units completely and in full and (C) any incentive units that do not result in an increase in the number of Class B Units without the prior written consent of Blackstone, (iv) any acquisition or disposition with a total value in excess of \$25 million, (v) issuance of incremental indebtedness that would cause the ratio of borrowed money indebtedness to credit agreement EBITDA to exceed 5.0x on a consolidated and pro forma basis, (vi) any dividend, distribution or prepayment, or redemption of, equity securities junior to or pari passu to the Class A Units, other than Allowed Dividends, distributions to certain joint ventures, tax distributions and a repurchase of the Class C Units (each in accordance with the terms of the limited liability company agreement), (vii) entering receivership or filing bankruptcy, (viii) settlement of regulatory matters or litigation if such settlement would result in the payment of more than \$3 million, (ix) entering into or modifying any affiliate transaction, and (x) the selection of, hiring, or termination of the CEO. These approval rights are not transferrable without NAB Intermediate Holdings, LLC's consent. In addition, the approval rights held by Blackstone will terminate at such time that Blackstone (together with their affiliates) as applicable, no longer own at least 10% of the Class A Units and Class C Units issued on the closing date of its investment (with respect to certain of such approval rights) and 25% of the Class A Units and Class C Units issued on the closing date of its investment (with respect to certain of such approval rights).

In the event that North American Bancard Holdings, Inc. establishes a board of managers, Blackstone will have certain minority board appointment and observation rights.

The \$150 million proceeds originally received from Blackstone were bifurcated, based on the fair value of the respective units, between (1) the Class A Units, which were initially recorded at \$122 million as of June 30, 2017 and (2) the Class C Units, which were recorded at \$28 million as of June 30, 2017. The Class A Units are subject to accretion over the eight year redemption period using the effective interest rate method. As of December 31, 2020, using an effective interest rate of 16.28%, the Company has recorded cumulative accretion to the remaining 50,000 Class A Units in the amount of \$2,844,084. In 2020 and 2019, the Company recorded accretion of redeemable preferred Class A Units in the Company's consolidated statements of income in the amounts of \$1,958,403 and \$2,411,660, respectively.

8. FAIR VALUE MEASUREMENTS

Accounting standards require certain assets and liabilities to be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets and other inputs, such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Company's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Company's financial instruments include cash and cash equivalents, short-term investments, accounts receivable and accounts payable. For the preceding financial instruments recorded at December 31, 2020 and 2019, fair value approximates book value. The Company also has debt in the form of a term loan facility and a revolving facility. As the Company refinanced its debt obligations during 2018, and the interest rate applied to the debt fluctuates with the current interest rate environment, the Company has concluded that fair value approximates book value for its debt instruments at December 31, 2020 and 2019.

9. OPERATING LEASES

The Company leases several facilities under noncancelable lease agreements that expire at various points through 2027. These leases require monthly lease payments ranging from \$1,000 to \$42,000 per month plus applicable repairs, maintenance, taxes and insurance. In addition, the Company rents additional office space under month-to-month lease agreements.

Total rental expense (after elimination of rent expense and income with consolidated subsidiaries) included in selling, general and administrative expenses in the consolidated statements of income for the years ended December 31, 2020 and 2019, amounted to \$3,475,027 and \$4,126,840, respectively.

The following is the future minimum rental payments required under the operating leases as of December 31, 2020:

Year Ending December 31	
2021	\$ 2,014,732
2022	1,806,530
2023	1,293,702
2024	802,962
2025 and thereafter	<u>1,644,111</u>
Total	<u>\$ 7,562,037</u>

10. EMPLOYMENT AND INCENTIVE AGREEMENTS

The Company has employment and incentive agreements with certain key employees and sales partners. The agreements call for a variety of potential compensatory bonuses based on either applicable business unit performance results or an entity change of control event (50% or more of the voting power is transferred to a third party). In the event the bonus is triggered by a change of control event, the bonus is determined by a set formula based upon the relative earnings before interest, taxes, depreciation and amortization value as set forth in each individual’s employment or incentive agreement. There were no such change of control transactions as of December 31, 2020 and 2019. The Company had accrued \$3,284,835 and \$1,954,668 for key employee bonuses as of December 31, 2020 and 2019, respectively, which are included in selling, general and administrative expenses in the consolidated statements of income and accrued wages and benefits in the consolidated balance sheets.

11. COMMITMENTS AND CONTINGENCIES

Legal Claims—The Company is involved from time to time in legal proceedings and claims. These disputes vary in nature and are usually resolved by negotiations between the parties. The Company records reserves for such matters that can be estimated and are deemed probable; however, the ultimate outcomes of these matters are inherently uncertain. Actual results may differ significantly from the current estimates.

Commitments—In 2009, 5967 Ventures, LLC had entered into a ten-year clearing and settlement services agreement with Harris N.A. and Moneris Solutions, Inc. (currently Worldpay Payments, Inc.) to provide clearing and settlement services for the related merchant portfolio acquired and future merchant accounts. The agreement called for fees for these services in excess of market values. In addition, the agreement provided for guaranteed minimum annual payments by 5967 Ventures, LLC and a personal guarantee for full and punctual payment amounts by the sole member. The ten-year term expired in 2019, and as of December 31, 2019, there are no further commitments or liabilities under this agreement.

Effective January 1, 2020, the 5967 Ventures, LLC entered into a five-year BIN Sponsorship Agreement with BMO Harris Bank, N.A. and Worldpay Payments, Inc. to provide clearing and settlement services for the Company’s merchant accounts. The agreement calls for the Company to meet certain processing transaction counts with tiered fees, which must be achieved in order to meet guaranteed annual minimums in each of the five years.

The following are the future guaranteed minimum payments remaining under the agreement:

Effective Year Ending December 31	
2021	\$ 800,000
2022	850,000
2023	900,000
2024	<u>950,000</u>
 Total future minimum payments remaining	 <u>\$ 3,500,000</u>

In accordance with the BIN Sponsorship Agreement entered into by EPX with BMO Harris Bank, N.A. on June 23, 2016, for a period of five years effective March 1, 2017, the agreement calls for the Company

to meet certain processing transaction counts with tiered fees, which must be achieved in order to meet guaranteed annual minimums in each of the five years.

Under Option 1 of the agreement, which the Company has currently chosen, the following are the future guaranteed minimum payments remaining under the agreement:

Effective year ending February 28:

2021	\$ 325,000
2022	<u>350,000</u>
 Total future minimum payments remaining	 <u>\$ 675,000</u>

Accrued Expenses—As of December 31, 2020 and 2019, accrued expenses consist of the following:

	2020	2019
Accrued interest	\$ 1,569,955	\$ 4,589,789
Reserve for losses on merchant accounts	5,178,616	2,127,425
Merchant funds held on deposit	479,036	321,051
Reserve for legal claims	2,700,000	1,040,000
Accrued interchange expense	12,918,852	9,678,384
Other accrued expenses	<u>10,387,157</u>	<u>5,236,373</u>
 Total	 <u>\$ 33,233,616</u>	 <u>\$ 22,993,022</u>

12. RELATED-PARTY TRANSACTIONS

Effective July 1, 2017, the refinancing of merchant cash advances for customers formerly financed through Rapid Capital Finance, LLC or Capital for Merchants, LLC, as well as new cash advances, are 100% participated by Specialty Finance Group, LLC, an entity whose sole member is the same as that of the Company's. For refinanced advances, the remaining balances of such merchant cash advances, prior to their being refinanced by Specialty Finance Group, LLC, were immediately recognized as a distribution from equity on the books of the entity that made the original cash advance. For 2020 and 2019, no such distributions from equity were made. Additionally, Rapid Capital Finance, LLC and Capital for Merchants, LLC made cash distributions totaling \$43,597 and \$1,300,000 to Specialty Finance Group, LLC during 2020 and 2019, respectively, on behalf of the entities' sole member. Finally, the Company provides certain administrative, facility and back-office services to Specialty Finance Group, LLC. The Company provided such services to Specialty Finance Group, LLC in 2020 and 2019 totaling approximately \$32,113 and \$556,356, respectively.

The Company's sole member is also a member of MAG-Falcon 900C SN192, LLC, which provides aeronautic services to the Company. During both 2020 and 2019, the Company made lease payments to, and use tax payments on behalf of, this related party totaling approximately \$594,000.

During 2020, net tax-related contributions to equity from the Company's sole member totaled \$6,877,919, while in 2019, net tax-related distributions to the Company's sole member from equity were \$772,565, in accordance with the 2017 Credit Agreement.

13. SUBSEQUENT EVENTS

The consolidated financial statements and related disclosures include evaluation of events up through and including April 5, 2021, which is the date the consolidated financial statements were available to be issued.

On January 11, 2021, the Company entered into a 5-year BIN sponsorship agreement with Fresno First Bank to provide clearing and settlement services for certain of the Company's merchant accounts processed by its EPX platform. The Company is subject to a monthly minimum fee subsequent to full integration and the commencement of processing of merchant transactions, expected to occur in the second quarter of 2021.

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SUPPLEMENTAL INFORMATION

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET (LESS UNRESTRICTED SUBSIDIARIES) AS OF DECEMBER 31, 2020

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$105,016,120	\$ 513,382	\$104,502,738
Restricted cash	5,525,076	837,527	4,687,549
Short-term investments	5,721,293	-	5,721,293
Accounts receivable—net of allowance for doubtful accounts	41,416,736	-	41,416,736
Settlement receivables—net of allowance for doubtful accounts	86,884,404	-	86,884,404
Terminals and inventory	3,577,243	-	3,577,243
Prepaid expenses	5,529,619	1,442	5,528,177
Capitalized customer acquisition costs—net	5,446,092	-	5,446,092
Other current assets	<u>1,343,561</u>	<u>264,690</u>	<u>1,078,871</u>
Total current assets	<u>260,460,144</u>	<u>1,617,041</u>	<u>258,843,103</u>
BUILDINGS, LAND, LEASEHOLD IMPROVEMENTS, AND EQUIPMENT—			
At cost, less accumulated depreciation	13,451,186	1,630	13,449,556
OTHER NONCURRENT ASSETS:			
Goodwill—net	270,783,272	-	270,783,272
Other intangible assets—net	46,616,912	-	46,616,912
Indefinite life intangible	48,373,815	-	48,373,815
Capitalized customer acquisition costs—net	12,563,202	-	12,563,202
Intercompany between NABH and unrestricted subsidiaries	-	(89,556,816)	89,556,816
Other noncurrent assets	<u>1,977,524</u>	<u>1,000</u>	<u>1,976,524</u>
Total other noncurrent assets	<u>380,314,725</u>	<u>(89,555,816)</u>	<u>469,870,541</u>
TOTAL ASSETS	<u>\$654,226,055</u>	<u>\$(87,937,145)</u>	<u>\$742,163,200</u>

(Continued)

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET (LESS UNRESTRICTED SUBSIDIARIES) AS OF DECEMBER 31, 2020

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
LIABILITIES AND EQUITY (DEFICIT)			
CURRENT LIABILITIES:			
Accounts payable	\$ 25,899,178	\$ 431,340	\$ 25,467,838
Settlement payables	108,318,288	790,099	107,528,189
Accrued wages and benefits	15,740,976	-	15,740,976
Accrued expenses	33,233,616	2,422,771	30,810,845
Income taxes payable	499,947	-	499,947
Current portion of long-term debt	6,368,000	-	6,368,000
Contingent consideration	914,286	-	914,286
	<u>190,974,291</u>	<u>3,644,210</u>	<u>187,330,081</u>
Total current liabilities			
LONG-TERM LIABILITIES:			
Contingent consideration	4,272,292	-	4,272,292
Long-term debt—net of unamortized discount and debit issuance costs	604,219,805	-	604,219,805
Redeemable preferred, Class A units	43,510,751	-	43,510,751
Other long-term liabilities	1,259,601	-	1,259,601
	<u>653,262,449</u>	<u>-</u>	<u>653,262,449</u>
Total long-term liabilities			
Total liabilities	<u>844,236,740</u>	<u>3,644,210</u>	<u>840,592,530</u>
EQUITY (DEFICIT):			
Common stock	100	-	100
Profit incentive units	28,000,000	-	28,000,000
Retained deficit	(217,442,410)	-	(68,211)
Accumulated other comprehensive (loss) income	(68,211)	(91,581,355)	(125,861,055)
	<u>(189,510,521)</u>	<u>(91,581,355)</u>	<u>(97,929,166)</u>
NAB Holdings, LLC's shareholder's equity (deficit)			
Noncontrolling interest	(500,164)	-	(500,164)
	<u>(190,010,685)</u>	<u>(91,581,355)</u>	<u>(98,429,330)</u>
Total equity (deficit)			
TOTAL LIABILITIES AND EQUITY (DEFICIT)	<u>\$ 654,226,055</u>	<u>\$(87,937,145)</u>	<u>\$ 742,163,200</u>

(Concluded)

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET (LESS UNRESTRICTED SUBSIDIARIES) AS OF DECEMBER 31, 2019

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$165,013,737	\$ 1,960,129	\$163,053,608
Restricted cash	7,317,628	1,084,659	6,232,969
Short-term investments	4,027,359	-	4,027,359
Accounts receivable—net of allowance for doubtful accounts	36,304,089	140	36,303,949
Settlement receivables—net of allowance for doubtful accounts	73,228,751	-	73,228,751
Terminals and inventory	4,427,591	-	4,427,591
Prepaid expenses	4,584,873	3,750	4,581,123
Capitalized customer acquisition costs—net	4,593,476	-	4,593,476
Other current assets	<u>2,017,580</u>	<u>500,610</u>	<u>1,516,970</u>
Total current assets	<u>301,515,084</u>	<u>3,549,288</u>	<u>297,965,796</u>
BUILDINGS, LAND, LEASEHOLD IMPROVEMENTS, AND EQUIPMENT— At cost, less accumulated depreciation	<u>16,346,875</u>	<u>44,393</u>	<u>16,302,482</u>
OTHER NONCURRENT ASSETS:			
Goodwill—net	313,469,763	-	313,469,763
Other intangible assets—net	69,681,999	-	69,681,999
Indefinite life intangible	48,373,815	-	48,373,815
Capitalized customer acquisition costs—net	10,214,006	-	10,214,006
Intercompany between NABH and unrestricted subsidiaries	-	(86,744,111)	86,744,111
Other noncurrent assets	<u>2,849,159</u>	<u>1,000</u>	<u>2,848,159</u>
Total other noncurrent assets	<u>444,588,742</u>	<u>(86,743,111)</u>	<u>531,331,853</u>
TOTAL ASSETS	<u>\$762,450,701</u>	<u>\$(83,149,430)</u>	<u>\$845,600,131</u>

(Continued)

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET (LESS UNRESTRICTED SUBSIDIARIES) AS OF DECEMBER 31, 2019

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
LIABILITIES AND EQUITY (DEFICIT)			
CURRENT LIABILITIES:			
Accounts payable	\$ 37,472,047	\$ 690,649	\$ 36,781,398
Settlement payables	101,996,798	1,068,157	100,928,641
Accrued wages and benefits	12,383,541	-	12,383,541
Accrued expenses	22,993,022	237,398	22,755,624
Income taxes payable	2,002,183	-	2,002,183
Current portion of long-term debt	<u>6,368,000</u>	<u>-</u>	<u>6,368,000</u>
Total current liabilities	<u>183,215,591</u>	<u>1,996,204</u>	<u>181,219,387</u>
LONG-TERM LIABILITIES:			
Contingent consideration	5,552,000	-	5,552,000
Long-term debt—net of unamortized discount and debit issuance costs	608,059,178	-	608,059,178
Redeemable preferred, Class A units	127,519,173	-	127,519,173
Other long-term liabilities	<u>892,025</u>	<u>-</u>	<u>892,025</u>
Total long-term liabilities	<u>742,022,376</u>	<u>-</u>	<u>742,022,376</u>
Total liabilities	<u>925,237,967</u>	<u>1,996,204</u>	<u>923,241,763</u>
EQUITY (DEFICIT):			
Common stock	100	-	100
Profit incentive units	28,000,000	-	28,000,000
Retained deficit	(190,423,307)	(85,145,634)	(105,277,673)
Accumulated other comprehensive income (loss)	<u>97,293</u>	<u>-</u>	<u>97,293</u>
NAB Holdings, LLC's shareholder's equity (deficit)	(162,325,914)	(85,145,634)	(77,180,280)
Noncontrolling interest	<u>(461,352)</u>	<u>-</u>	<u>(461,352)</u>
Total equity (deficit)	<u>(162,787,266)</u>	<u>(85,145,634)</u>	<u>(77,641,632)</u>
TOTAL LIABILITIES AND EQUITY (DEFICIT)	<u>\$ 762,450,701</u>	<u>\$(83,149,430)</u>	<u>\$ 845,600,131</u>

(Concluded)

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF INCOME LESS UNRESTRICTED SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2020

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
REVENUES	\$449,220,117	\$ 2,519,603	\$446,700,514
COST OF SERVICES	53,576,647	(329,776)	53,906,423
DEPRECIATION AND AMORTIZATION	81,118,525	15,512	81,103,013
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>260,505,464</u>	<u>8,553,717</u>	<u>251,951,747</u>
EARNINGS (LOSS) FROM OPERATIONS	<u>54,019,481</u>	<u>(5,719,850)</u>	<u>59,739,331</u>
OTHER INCOME (EXPENSE):			
Interest expense	(42,852,131)	-	(42,852,131)
Interest income	1,097,589	(672,273)	1,769,862
Loss on extinguishment of redeemable preferred, Class A	(28,033,175)	-	(28,033,175)
Accretion of redeemable preferred, Class A units	(1,958,403)	-	(1,958,403)
Other	<u>105,825</u>	<u>-</u>	<u>105,825</u>
Total other expenses	<u>(71,640,295)</u>	<u>(672,273)</u>	<u>(70,968,022)</u>
NET LOSS BEFORE INCOME TAXES	(17,620,814)	(6,392,123)	(11,228,691)
INCOME TAX EXPENSE	<u>(5,193,004)</u>	<u>-</u>	<u>(5,193,004)</u>
NET LOSS	(22,813,818)	(6,392,123)	(16,421,695)
NET (INCOME) ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>(9,594,152)</u>	<u>-</u>	<u>(9,594,152)</u>
NET LOSS ATTRIBUTABLE TO NAB HOLDINGS, LLC	<u>\$ (32,407,970)</u>	<u>\$ (6,392,123)</u>	<u>\$ (26,015,847)</u>

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF INCOME LESS UNRESTRICTED SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2019

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
REVENUES	\$483,166,351	\$ 3,411,776	\$479,754,575
COST OF SERVICES	64,247,904	(1,060,001)	65,307,905
DEPRECIATION AND AMORTIZATION	90,854,494	1,031,920	89,822,574
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>273,828,719</u>	<u>8,582,360</u>	<u>265,246,359</u>
EARNINGS (LOSS) FROM OPERATIONS	<u>54,235,234</u>	<u>(5,142,503)</u>	<u>59,377,737</u>
OTHER INCOME (EXPENSE):			
Interest expense	(56,143,282)	-	(56,143,282)
Interest income	2,230,779	(633,742)	2,864,521
Accretion of redeemable preferred, Class A units	(2,411,660)	-	(2,411,660)
Other	<u>(3,536,570)</u>	<u>-</u>	<u>(3,536,570)</u>
Total other expenses	<u>(59,860,733)</u>	<u>(633,742)</u>	<u>(59,226,991)</u>
NET LOSS BEFORE INCOME TAXES	(5,625,499)	(5,776,245)	150,746
INCOME TAX EXPENSE	<u>(4,605,759)</u>	<u>-</u>	<u>(4,605,759)</u>
NET LOSS	(10,231,258)	(5,776,245)	(4,455,013)
NET (INCOME) ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>(8,179,096)</u>	<u>-</u>	<u>(8,179,096)</u>
NET LOSS ATTRIBUTABLE TO NAB HOLDINGS, LLC	<u>\$ (18,410,354)</u>	<u>\$ (5,776,245)</u>	<u>\$ (12,634,109)</u>

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF CASH FLOWS LESS UNRESTRICTED SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2020

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
OPERATING ACTIVITIES:			
Net loss	\$(22,813,818)	\$(6,392,123)	\$(16,421,695)
Adjustments to reconcile net loss to net cash provided by operating activities:	-	-	-
Loss on disposal of assets	791,526	27,251	764,275
Depreciation and amortization	81,118,525	15,512	81,103,013
Bad debt expense	136,927	136,927	-
Noncash interest expense and other	2,923,914	-	2,923,914
Accretion of redeemable preferred, Class A units	1,958,403	-	1,958,403
Loss on extinguishment of redeemable Class A units	28,033,175	-	28,033,175
Changes in assets and liabilities:	-	-	-
(Increase) decrease in short-term investments	(1,693,935)	-	(1,693,935)
(Increase) decrease in accounts receivable—net	(2,512,561)	140	(2,512,701)
(Increase) decrease in settlement receivables	(13,655,653)	-	(13,655,653)
(Increase) decrease in terminals	1,515,033	-	1,515,033
(Increase) decrease in prepaid expenses	(889,299)	2,308	(891,607)
(Increase) decrease in other assets	942,989	2,911,698	(1,968,709)
Increase (decrease) in accounts payable	(11,632,262)	(259,310)	(11,372,952)
Increase (decrease) in settlement payables	6,321,490	(278,058)	6,599,548
Increase (decrease) in accrued wages and benefits	3,272,672	-	3,272,672
Increase (decrease) in accrued expenses and other liabilities	8,078,113	2,185,373	5,892,740
Net cash provided by operating activities	81,895,239	(1,650,282)	83,545,521
INVESTING ACTIVITIES:			
Acquisition of buildings, land, and equipment	(1,317,274)	-	(1,317,274)
Payment of customer acquisition costs	(14,068,743)	-	(14,068,743)
Acquisitions of business	(3,621,561)	-	(3,621,561)
Net cash used in investing activities	(19,007,578)	-	(19,007,578)

(Continued)

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF CASH FLOWS LESS UNRESTRICTED SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2020

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
FINANCING ACTIVITIES:			
Repayment of debt	\$ (6,368,000)	\$ -	\$ (6,368,000)
Repurchase of redeemable preferred, Class A	(114,000,000)	-	(114,000,000)
Shareholder contributions (distributions)—net	5,284,322	(43,497)	5,327,919
Distributions to noncontrolling interest	<u>(9,594,152)</u>	<u>-</u>	<u>(9,594,152)</u>
Net cash used in financing activities	<u>(124,677,830)</u>	<u>(43,497)</u>	<u>(124,634,233)</u>
Net decrease in cash, cash equivalents and restricted cash	(61,790,169)	(1,693,879)	(60,096,290)
Cash, cash equivalents and restricted cash—beginning of year	<u>172,331,365</u>	<u>3,044,788</u>	<u>169,286,577</u>
Cash, cash equivalents and restricted cash—end of year	<u>\$ 110,541,196</u>	<u>\$ 1,350,909</u>	<u>\$ 109,190,287</u>
SUPPLEMENTAL CASH FLOW INFORMATION:			
Cash paid for interest	<u>\$ 42,918,719</u>	<u>\$ -</u>	<u>\$ 42,918,719</u>
Cash paid for taxes	<u>\$ 6,696,914</u>	<u>\$ -</u>	<u>\$ 6,696,914</u>
			(Concluded)

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF CASH FLOWS LESS UNRESTRICTED SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2019

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
OPERATING ACTIVITIES:			
Net loss	\$(10,231,258)	\$(5,776,245)	\$ (4,455,013)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Loss on disposal of assets	703,343	-	703,343
Depreciation and amortization	90,854,494	1,031,920	89,822,574
Bad debt expense	544,692	544,692	-
Noncash interest expense and other	2,923,914	-	2,923,914
Accretion of redeemable preferred, Class A units	2,411,660	-	2,411,660
Changes in assets and liabilities:			
(Increase) decrease in short-term investments	(4,027,359)	-	(4,027,359)
(Increase) decrease in accounts receivable—net	13,074,084	100	13,073,984
(Increase) decrease in settlement receivables	3,239,758	(35,593)	3,275,351
(Increase) decrease in terminals	(859,542)	-	(859,542)
(Increase) decrease in prepaid expenses	(1,280,103)	1,312	(1,281,415)
(Increase) decrease in other assets	3,191,347	7,009,064	(3,817,717)
Increase (decrease) in accounts payable	6,284,856	(90,908)	6,375,764
Increase (decrease) in settlement payables	6,819,091	(1,424,741)	8,243,832
Increase (decrease) in accrued wages and benefits	1,150,477	-	1,150,477
Increase (decrease) in accrued expenses and other liabilities	<u>(17,153,115)</u>	<u>(1,813,689)</u>	<u>(15,339,426)</u>
Net cash provided by operating activities	<u>97,646,339</u>	<u>(554,088)</u>	<u>98,200,427</u>
INVESTING ACTIVITIES:			
Acquisition of buildings, land, and equipment	(4,004,977)	-	(4,004,977)
Payment of customer acquisition costs	(11,921,451)	-	(11,921,451)
Net proceeds from sale of assets	3,825	-	3,825
Acquisitions of business	<u>(21,252,000)</u>	<u>-</u>	<u>(21,252,000)</u>
Net cash used in investing activities	<u>(37,174,603)</u>	<u>-</u>	<u>(37,174,603)</u>

(Continued)

NAB HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF CASH FLOWS LESS UNRESTRICTED SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2019

	NAB Holdings LLC	(Unaudited) Unrestricted Subsidiaries	(Unaudited) NAB Holdings LLC Less Unrestricted Subsidiaries
FINANCING ACTIVITIES:			
Repayment of debt	\$ (6,368,000)	\$ -	\$ (6,368,000)
Distributions to shareholder	(3,959,716)	(791,318)	(3,168,398)
Distributions to noncontrolling interest	<u>(8,179,096)</u>	<u>-</u>	<u>(8,179,096)</u>
Net cash used in financing activities	<u>(18,506,812)</u>	<u>(791,318)</u>	<u>(17,715,494)</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	41,964,924	(1,345,406)	43,310,330
Cash, cash equivalents and restricted cash—beginning of year	<u>130,366,441</u>	<u>4,390,194</u>	<u>125,976,247</u>
Cash, cash equivalents and restricted cash—end of year	<u>\$172,331,365</u>	<u>\$ 3,044,788</u>	<u>\$169,286,577</u>
SUPPLEMENTAL CASH FLOW INFORMATION:			
Cash paid for interest	<u>\$ 53,220,076</u>	<u>\$ -</u>	<u>\$ 53,220,076</u>
Cash paid for taxes	<u>\$ 2,299,912</u>	<u>\$ 392</u>	<u>\$ 2,299,520</u>

(Concluded)