



December 20th, 2011

Grant Jackson
Council & Enhanced Tennessee Fund, LLC
150 2nd Ave. N, Suite 415
Nashville, TN 37212

Dear Mr. Jackson:

Pursuant to the Note Purchase Agreement entered into as of 10/28/11, by and among Payment America Systems, Inc., a Tennessee corporation, and certain investors, Council & Enhanced Tennessee Fund has invested \$480,000.00 in Payment America Systems, Inc.

Thank you,

A handwritten signature in black ink that reads 'Barry Becker'.

Barry Becker
CEO