



"I am so pleased to be here today to help open Vitu here in the city of Portland," said Kate Brown, governor of Oregon. "I think Vitu will be an essential service for Oregonians throughout our state."

Governor Brown Welcomes Vitu to Oregon

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An Investment That Lasts a Lifetime

An education remains every citizen's most valuable asset in a prosperous, innovative and forward-thinking society. This June we are very pleased to announce the creation of a tuition reimbursement program, available retroactively for the spring 2016 semester, to help MVSC employees who desire to better their lives by going to school. For all that our employees do for us as a company, and for all that they do for our dealer partners, it's the very least we can do. It's the right thing to do.

Our cofounder, Don Armstrong, and I were, coincidentally, part of the first generation in our families to graduate from college. We took separate paths – Don served our country as a marine before college, while I received an athletic scholarship out of high school. We both came from financially-challenged families that couldn't help us pay for college regardless of how much they wanted us to succeed. We took separate paths in order to finance our educations – Don worked hard while also taking on student debt, while I concentrated on springboard and platform diving to maintain

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my athletic scholarship. Without assistance or student loans, there was little chance either of us would have advanced beyond a high school education. Leading a company like MVSC would have been an afterthought.

I've talked to a number of employees about education, and I'm struck by how many desperately want to get a degree. They dream of careers and opportunities that aren't available without one. Unfortunately, many cannot afford exorbitant college tuition.

So they wait.

They wait until they have saved enough money. They wait until they get to a place where they can devote the time. Some put their educational dreams on hold to raise a family. For many, getting that degree just slips away over time.

We believe as a company, that if we can help, we must. We believe we should do our best to make sure our employees are better for having worked here. Rather than being the reason they delayed their goals, MVSC should be at least part of the reason they achieved them.

By making this investment in our employees, we are empowering them to achieve their career aspirations, boosting their skills so they can better serve MVSC and supplying them with the knowledge to provide you superior service.

This is, in fact, an investment in all of us.

Thank you all for being a part of our MVSC family as we advance the auto dealer and electronic registration and titling industries – and our dedicated employees who make everything possible.

Kelly Kimball

Executive Chairman

Vitu Oregon Launch Disrupts Electronic Registration and Titling

With its exposed ceiling ventilation, concrete floor and shipping container repurposed into conference rooms, our new Portland office is a metaphor for both the do-it-yourself, startup spirit of MVSC and Oregon's frontier mindset that have propelled Vitu and our dealer partners to the forefront of electronic registration and titling (ERT) in the Beaver State. Since January, MVSC staff members have literally been rolling up their sleeves to help remodel and design our office and warehouse in the city's New York Building. On May 18, we welcomed Governor Kate Brown (D), Oregon DMV Administrator Tom McClellan, MVSC staff and members of the dealership community to our grand opening and Vitu Oregon launch event.

While taking in views of the Willamette River from the fifth floor, scores of guests participated in product demos before networking at an evening cocktail reception. With CVR's cessation of operations in Oregon in August, Vitu will soon be

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Governor Kate Brown, sixth from left, met with MVSC staff members at the grand opening of our Portland office to celebrate the launch of Vitu in Oregon.

the state's sole ERT provider.

Vitu is an especially groundbreaking product for Oregon, whose dealerships now have the opportunity to rediscover the benefits of ERT. In addition to enabling dealer partners to execute registration and titling for multiple stores on a single, intuitive platform, Vitu is the first ERT provider in the state to offer license plate, temporary registration card and sticker fulfillment for dealership customers, processing and shipping their packages from our warehouse. Previously, dealerships had to keep these items in stock.



“Vitu and I have a lot in common: we’re very interested in easy and efficient access to services and very excited about opportunities to modernize our services to our citizens,” Governor Brown said during her address at the event, as she touted the economic and job growth benefits innovators like Vitu bring to Oregon. “My role as governor is to figure out how we continue to grow the economy here in the state and my focus will be on helping innovative companies like Vitu all over the state of Oregon, but obviously in Portland right here today.”

Restructured Executive Team Steps Up to National Challenges

As we grow to serve dealerships across the country, our dealer partners need a team that’s best positioned to lead MVSC into the next era in electronic registration and titling. To achieve MVSC’s and dealerships’ goals of greater automation and Vehicle-to-Government (V2Gov) transactions, in May we announced a restructuring of the company’s executive team.

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Vitu division president John Brueggeman, left, and MVSC president Joseph Nemelka, right, confer with Kathryn Trimmer, vice president of product management and training, at the 2016 American Association of Motor Vehicle Administrators Region IV Conference in Portland, Oregon in May.

Joseph Nemelka was named MVSC president and chief operating officer. In his new roles, Nemelka oversees all the operations of the company, ensuring MVSC continues to scale our operations to support the rapid growth of the company. Nemelka had served as executive vice president of sales and business development since 2013.

Don Armstrong, who relinquished the presidency, continues to serve as CEO, focusing on the growth and direction of MVSC, and shaping future technology and product development.

John Brueggeman was promoted to Vitu division president and MVSC chief strategy officer. A former Montana state legislator, Brueggeman previously served as MVSC executive vice president. In his new role, he is spearheading all Vitu initiatives nationally and is based at our Portland, Oregon office.

"We've set high expectations for our partners over the last decade, and MVSC will continue to step up to ever-greater challenges," Nemelka said. "As the company grows to serve a national clientele and we advance the new realm of V2Gov transactions, John and I are excited to lead new car, used car, powersports, and junk and salvage dealers; fleet managers; and credit unions into what's proving to be a watershed period for electronic registration and titling."

Successful Completion of SOC 1, 2 and 3 Audits Affirms MVSC's Robust Security Measures

Security and transparency define MVSC. For the second year, we've successfully completed the American Institute of Certified Public Accountants' (AICPA) Service Organization Control (SOC) 1 Type II audit. But when it comes to giving you piece of mind, we will always strive to do more. Consequently, we also successfully completed the SOC 2 and 3 audits for the first time.

Customers entrust their sensitive information with your dealership. But whom can you yourself trust with these data? Over the last decade, MVSC has earned the trust of more than half of California's new car dealerships by backing the industry's most innovative electronic registration and titling (ERT) solutions with stringent security measures.

For each calendar year since 2014, we have successfully completed the SOC 1 Type II audit, which affirms our ability to securely store, handle and transmit data. The SOC 1 Type II audit evaluates MVSC's control environment and objectives, in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization.

For us, however, that's not enough.

For the 2015 calendar year, we also successfully completed the SOC 2: Security Audit Report, which reviews MVSC's control environment and verifies it meets the AICPA's trust services security principle. While we are not allowed to share our SOC 1 and 2 audit reports with the general public, they are available to businesses that have a demonstrable business need to view them. We also successfully completed the SOC 3: Security Audit Report, which similarly demonstrates MVSC has met the AICPA's trust services security principle. The SOC 3 audit report is available to the general public to view.

At MVSC, trust is at the foundation of our dealer partnerships. By voluntarily submitting to these audits, we strive to give our dealer partners the information and transparency they demand to make informed business decisions. We are committed to providing the most robust security measures in the ERT industry.

TechNet Brings Innovation and Congressional Leaders Together

The tech industry, the debate on the future of commerce, and how we maintain America's technological preeminence converged in Washington, D.C. on April 27 as executives from 27 of the nation's top innovation companies – including MVSC – gathered for the 15th annual TechNet Day. Among other companies represented included Cisco, Google,



House Speaker Paul Ryan (R-WI), third from right, led discussions with visiting tech executives on Capitol Hill.

Microsoft and Oracle. On the top of these business leaders' agendas was advancing the United States' global competitiveness; fostering American innovation by passing international tax reform, the Trans-Pacific Partnership (TPP) and immigration reform; and boosting science, technology, engineering and math (STEM) education. During a full-day of discussion and collaboration, they engaged legislators and Washington influencers at the White House, on Capitol Hill and at Blair House, the presidential guesthouse.

At the White House, MVSC CEO Don Armstrong and executive chairman Kelly Kimball joined some of President Obama's top advisors, including Valerie Jarrett, senior advisor to the president; Jeffrey Zients, director of the National Economic Council; and Megan Smith, United States chief technology officer, as they discussed the tech industry's role in boosting job creation. The executives then traveled to the Capitol, where they met members of Congress from across the political spectrum to discuss common goals such as expanding commerce, facilitating high-skilled immigration and educating the next generation of Americans to enable them to continue the U.S.'s tradition of technological leadership. Among those meeting with



MVSC executive chairman Kelly Kimball, right, and MVSC CEO Don Armstrong, center, chat with Michael Zuckert, general counsel for Silicon Valley Bank, at Blair House.

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the visiting executives included House Speaker Paul Ryan (R-WI); House Minority Leader Nancy Pelosi (D-CA); Senator Chuck Schumer (D-NY), who is tipped to be the next Senate Democratic leader; and Senator John McCain (R-AZ). The day finished with a panel discussion and reception with the Washington diplomatic corps at Blair House.

“By joining innovative tech companies big and small in Washington, MVSC can play a positive role influencing policies that have enabled companies like ours to thrive and contribute, and that have a profound impact on the global economy,” Kimball said.

We Are Vitu

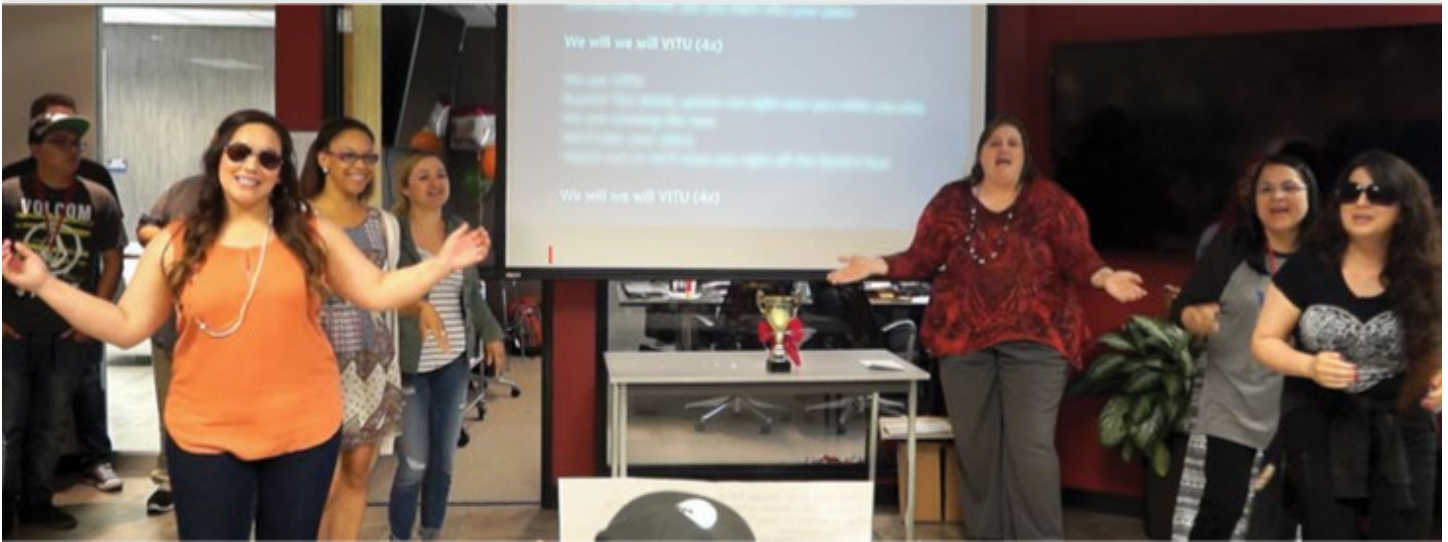


From left, Bianca Florian, auditor; Celina Stephens, account executive; DeeAnn Holtham, account executive; Tre Potts, customer support representative; and Randall Mah, marketing manager, brainstorm with team members ahead of their skit, which shared the benefits of Vitu.

Everywhere in one place. More progress, less process. Registration with a human touch. Put the paperwork behind you.

At MVSC's June company meeting, our staff demonstrated with great skill, wit and humor that Vitu is all of the above. With the kickoff of Vitu in Oregon in May and launches scheduled this year in Virginia, Illinois and California, MVSC staff members broke into 15 groups of 10 and performed one-minute skits and presentations that demonstrated the key innovations that are making Vitu the greatest advancement in electronic registration and titling since DMVdesk. Through song, dance and slapstick comedy, team members expounded what dealerships are now discovering: a national solution, Vitu is an unprecedented, evolutionary, intuitive and customizable single platform capable of increasing automation at multiple stores.

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Kathryn Jewell, right of center, and her team brought down the house with their anthem "We Are Vitu." Performing with her are, from left, Emily Johnson, account executive; Trinity Terrell-Jones, audit support representative; Jacqueline Ruiz, audit support representative; Nidia Palma, auditor; and Mary Grigorian, RMP instructor.

While it was not easy deciding who did the best job conveying this message, MVSC employees by acclamation chose the team that literally rocked the house. Led by Kathryn Jewell, technical writer, that team directed our 175-employee, national company in singing, clapping and stomping as we communicated to the whole building our message to dealerships and the competition:

We are Vitu

...

We are winning the race

We'll take your place

...

We will, we will VI-TU

We will, we will VI-TU everybody

We are Vitu, and we look forward to introducing you to Vitu!



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