

Financial Model Report

Overview

This financial model outlines the comprehensive cost structure for a project from Renew Pay. The costs are categorized into setup fees, monthly recurring fees, transaction-based charges, and miscellaneous fees, covering programs such as Digital Wallet, Card Issuing, Card Transaction, iFrame Technology, Card Tokenization, Financial Services, and Fraud Monitoring. This model provides an in-depth analysis of fees associated with each service, facilitating budgeting and cost forecasting for businesses.

1. Digital Wallet Program

Setup Costs:

- Corporate Due Diligence Fee: A one-time fee of \$3,675.00, payable at the outset for verifying the business's compliance with regulatory and operational standards.

Monthly Fees:

- Program Fee: A recurring charge of \$525.00 for accessing the digital wallet service.
- Wallet Fee: A usage fee of \$20.00 associated with the digital wallet.
- Monthly Minimum Fee: A minimum charge of \$3,675.00, ensuring businesses meet a base threshold for service usage.
- API Monthly Maintenance Fee: A charge of \$262.50 for maintaining API connections.
- Total Monthly Fees: \$4,482.50

Transaction-Based Fees:

- Monitoring Fee: A fee of \$1,000.00 for monitoring transactions within the wallet.

Miscellaneous Fees:

- Incoming/Outgoing Wire Transfer Fees: \$60.00 per transaction for domestic transfers.
 - Wire Trace Fee: A charge of \$35.00 for wire tracing.
 - Internal Transfer Fee: \$9.99 for transferring funds to another wallet holder.
 - Unauthorized Overdraft: A fee of \$30.00 for overdrawing the wallet balance.
 - Total Miscellaneous Fees: \$194.99
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2. Card Issuing Program

Setup Costs:

- Set Up Fee: A one-time charge of \$3,675.00 for the initial card program setup.
- Additional Fees: These include a New Program Fee of \$600.00, Project Management Fee of \$600.00, Development Fee of \$4,800.00, and Dispute Handling Fee of \$20.00.
- Total Setup Costs: \$9,695.00

Monthly Fees:

- Monthly Program Fee: \$3,675.00
- Monthly Minimum Fee: \$13,125.00, to ensure consistent revenue from the card program.
- Total Monthly Fees: \$16,800.00

Transaction-Based Fees:

- Fees associated with card creation and PIN setup:
 - Transaction Fee for Non-Credit Purchases: \$0.13
 - Card Creation Fee: \$0.25
 - PIN Creation Fee: \$0.40
 - Total Transaction Fees: \$0.78

Miscellaneous Fees:

- Administrative and compliance costs include:
 - Visa/MasterCard Initial Registration Fee (Partial BIN): \$7,245.00
 - Visa/MasterCard Annual Fee (Partial BIN): \$3,622.50
 - Duplicated BIN Fee: \$1,380.00
 - BIN Closure Fee: \$5,250.00
 - Third Party Agent Fee: \$5,000.00
 - Annual Audit Fee: \$12,000.00
 - Total Miscellaneous Fees: \$34,497.50

3. Card Transaction Program

Transaction-Based Fees:

- Transaction Processing Fee for Non-Credit Purchases: \$0.25

- Email and SMS Notices Fee: \$0.10
- Non-Financial Transaction and Queries Fee: \$0.10
- Total Transaction-Based Fees: \$0.45

Miscellaneous Fees:

- Charges for implementing branded services:
 - Client Branded Call Centre Implementation Fee: \$5,250.00
 - Monthly Maintenance Fee for Branded Call Centre: \$525.00
 - Client Branded IVR Implementation Fee: \$5,250.00
 - Monthly Maintenance Fee for Branded IVR: \$525.00
 - Client Branded Web Portal Implementation Fee: \$19,750.00
 - Monthly Maintenance Fee for Web Portal: \$525.00
 - IVR Fee: \$0.75
 - Total Miscellaneous Fees: \$31,825.75
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4. iFrame Technology

Setup Costs:

- Set Up Fee: \$1,225.00 for establishing the iFrame technology.

Monthly Fees:

- Monthly Maintenance Fee: \$2,400.00, charged for ongoing support and maintenance of the iFrame service.
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5. Card Tokenization

Setup Costs:

- Implementation Fee: \$5,000.00 for setting up card tokenization.
- Monthly Active Card Fee: \$0.15 per active card.
- Total Setup Costs: \$5,000.15

Monthly Fees:

- Monthly Minimum Fee: \$2,500.00 to ensure a minimum revenue from the service.
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6. Financial Services

Setup Costs:

- Set Up Fee: \$1,500.00

Monthly Fees:

- Monthly Program Fee: \$1,200.00

Transaction-Based Fees:

- Various transaction-related fees:
 - Transaction Origination Fee (Non-priority): \$0.50
 - Transaction Origination Fee (Priority): \$0.60
 - EFT Monitoring Fee: \$0.05
 - Standard Transaction Fee: \$0.75
 - Government Transaction Fee: \$2.50
 - Dispute Handling Fee: \$15.00
 - Reversed/Returned Transaction Fee: \$2.00
 - Trace Requests Fee: \$20.00
 - Transaction Deposit Fee: \$0.15
 - Total Transaction-Based Fees: \$41.55
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7. Fraud Monitoring Program

Setup Costs:

- Set Up Fee: \$2,500.00 for fraud monitoring implementation.

Monthly Fees:

- Program Fee: \$595.00 for ongoing fraud monitoring services.

Transaction-Based Fees:

- Add/Change Request Fee: \$600.00
 - Transaction Monitoring Fee: \$0.06
 - Total Transaction-Based Fees: \$600.06
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Summary

The financial model provides a detailed breakdown of setup, monthly, and transaction-based fees across various FinTech programs. Businesses opting for these programs will incur costs that are reflective of their usage levels, transaction volumes, and service customizations. This model aids in financial planning and decision-making, offering clear visibility into the cost structure associated with each program.

By identifying and understanding the financial requirements for each service, businesses can effectively plan their budgets and make informed decisions on which services align with their operational and financial strategies.