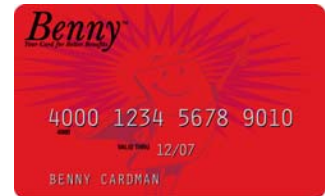




EMPLOYER CARD SETUP



Account Establishment

To implement the Benny Card, a Collateral Account will need to be opened at Bancorp bank by the employer. The collateral account is established to hold a nominal deposit/prefund, which is used to pay actual claims incurred on the Visa cards. Due to banking regulations, these types of accounts do not generate interest.

To begin the setup, the employer must complete the enclosed Bancorp document and return it with a **voided check** to ASI. Once the document is returned, ASI will handle setting up the collateral account with Bancorp. The setup can take 7-10 business days.

Prefunding

Funding of the collateral account is required by Visa and the issuing bank, Bancorp, and serves to cover card transactions that must be honored by the bank.

The collateral account must be funded with a nominal deposit that is a percentage (5%) of the aggregate participant annual election amount. This is referred to as “prefund” or collateral. The collateral account deposit will be funded via an ACH (automated clearing house) debit to a client-designated replenishment account.

The Prefund does not change unless there is a significant fluctuation in the participant count. This funding method accommodates individual participant additions without requiring additional funding by the employer.

Distribution of Cards

After Bancorp receives the required prefund, ASI will send a file which contains the enrollment data to the Benny Card vendor which they will convert it to a card production and distribution file. Once the demographic and contribution value information are successfully loaded, the Benny Card vendor will produce and mail 2 cards per family to the home address of each participant employee within 3-8 business days. Cards are sent in a special envelope indicating “important benefit materials,” which includes a product-specific card carrier with instructions for activating and using the card, and the cardholder agreement and My Use of Card Promises, which satisfy certain IRS requirements. Undeliverable mail (cards) will be returned to ASI for handling according to ASI established returned mail policies.



Replenishment

Debits to the collateral account must be replenished to ensure that adequate funds are available for ongoing settlement of card transactions.

Card transactions initiated at the point of service are processed by Visa on the same day. On the next day, Visa is reimbursed from the Bank's Settlement Account.

Based on the Daily Balance Summary Report produced by the Benny Card vendor, the Bank executes an internal transfer of the prior day's Benny™ settlements from the collateral account to the settlement account.

The collateral account is replenished weekly via an ACH (automated clearing house) debit to a client-designated replenishment account.

On a weekly basis the employer will receive an email from no-reply@evolutionbenefits.com with an attached report (See Sample) which list the Benny Card settlements that need to be replenished. This email also serves as notification that an ACH Debit will be initiated to retrieve the funds needed to replenish the Benny Card transactions. The employer can expect to see the Debit from their account within 1-2 business days after the email has been received.