



Boon Chapman Solution Summary

Business Overview

- Founded in 1961 Boon-Chapman (BC) is the oldest Third Party Administrator (TPA) in Texas that offers a range of services, including population health management, business process outsourcing and custom software development through sister companies, including Prime Dx and Soluta, inc. They serve employer groups and insurance entities.

Operating Model

- While a clear operating model has yet to be defined, the direction Forte and BC are leaning towards would either enable BC to be Merchant of Record (MoR) under the Business Payments Service Provider (BPSP) program established by Visa or CSG Forte will take on the MoR responsibility and liability under a Money Service Business (MSB) program.
 - Additional discussions with Wells Fargo and FIS to finalize options.

Merchant Application

- No requirements to manage merchant applications as Boon Chapman will operate either as MoR or proctor for funds disbursement to their respective Carrier or business partner via the MSB model.

Risk/Underwriting

- No special underwriting processes. Compliance reviews will undergo initial audit for Boon Chapman account with follow-on shadow underwriting expected to ensure their underlying business partner.

Onboarding

- 1:1 hierarchy structure, meaning 1 MID per Organization will segment each Block of Business.
 - Blocks of Business (BoB) is the designation BC refers to each carrier.

Transaction Processing

- All transaction requests will be facilitated via Forte REST API
- Initial requests will call the Forte.js service to abstract BC from PCI compliance
- Customer Tokens will be leveraged for customer/payment method storage and subsequent use
- Recurring transactions will be managed by BC
- Additional VAS to include – Validate or Validate+, Account Updater
 - Will need to help them understand the validation rule for WEB debits
 - There may be a play for Direct Recovery for their larger premium accounts
- Additional data points being passed in the message for identification of the account for report/reconciliation needs
 - This was identified but where and what fields was not, I recommend obtaining acknowledgment of what is being passed on each account and the field length maximum of each BoB

Settlement

- All BoBs will leverage the same end of day settlement activity



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- BC has not defined a settlement time per BoB, however it was stated that there are no exceptions to settlement. All transactions will be 'sale' requiring no capture message.

Funding

- Funding expectations are next day or T+1
- All funding is directed to a singular BC bank account where disbursements to Carrier (Premium) or Broker/Provider (Commission)
 - Caveat of funding will be shift in liability, however Forte will still fund to a singular BC account

Reporting/Reconciliation

- Performing REST API GET calls to obtain transaction status updates as well as settled/funded transaction activity for back-end system updates.
- REST calls will happen frequently, daily
 - Reviewing if supplemental reporting/reconciliation delivery files may also be wanted

Chargebacks/Returns

- Chargebacks will be managed by Boon Chapman directly via REST API
 - May enable a small group of users to leverage Dex for additional review and dispute responding, this will require user setup
- BC stated they may want to enable Carrier users to have Disputes only access in Dex as well
 - Concern here is that we can't white-label Dex
- Returns process for ACH transactions will be internally retried by Boon Chapman (see Exceptions Processing section)

Servicing

- All support services will be managed by Boon Chapman

Invoicing

- Monthly billing expected per BoB to be paid by Boon Chapman
- Bundled pricing

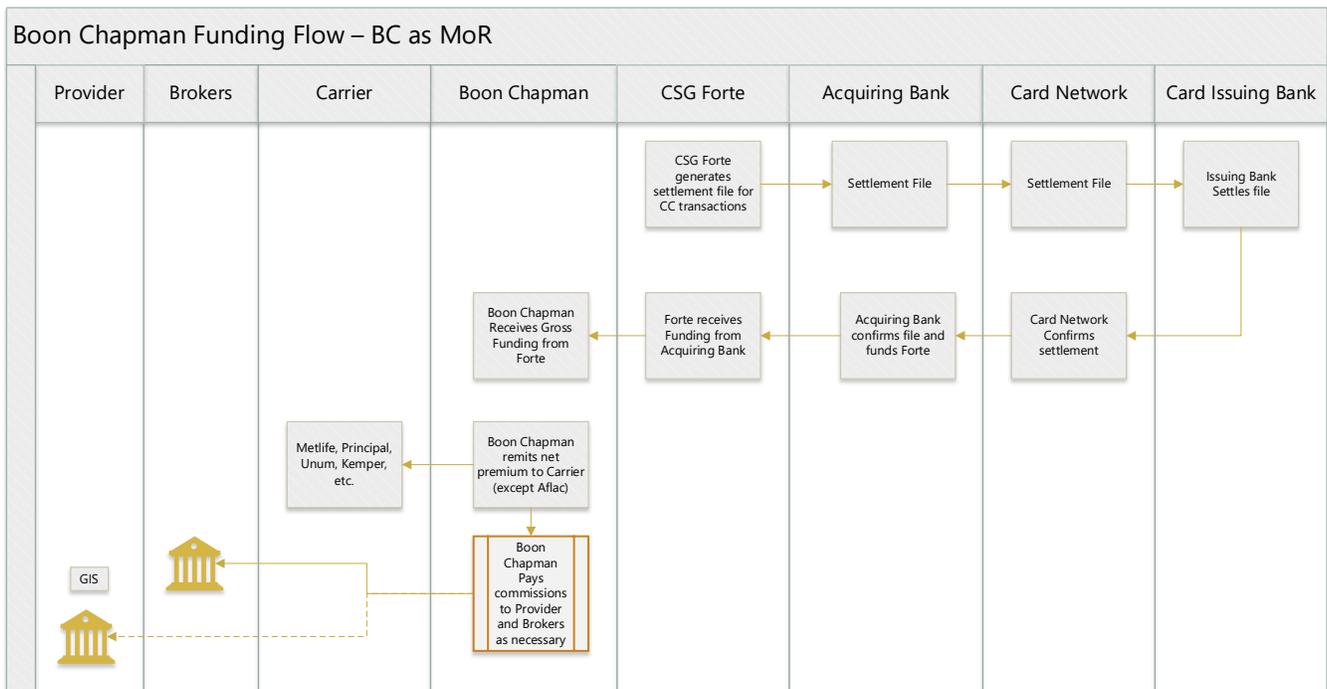
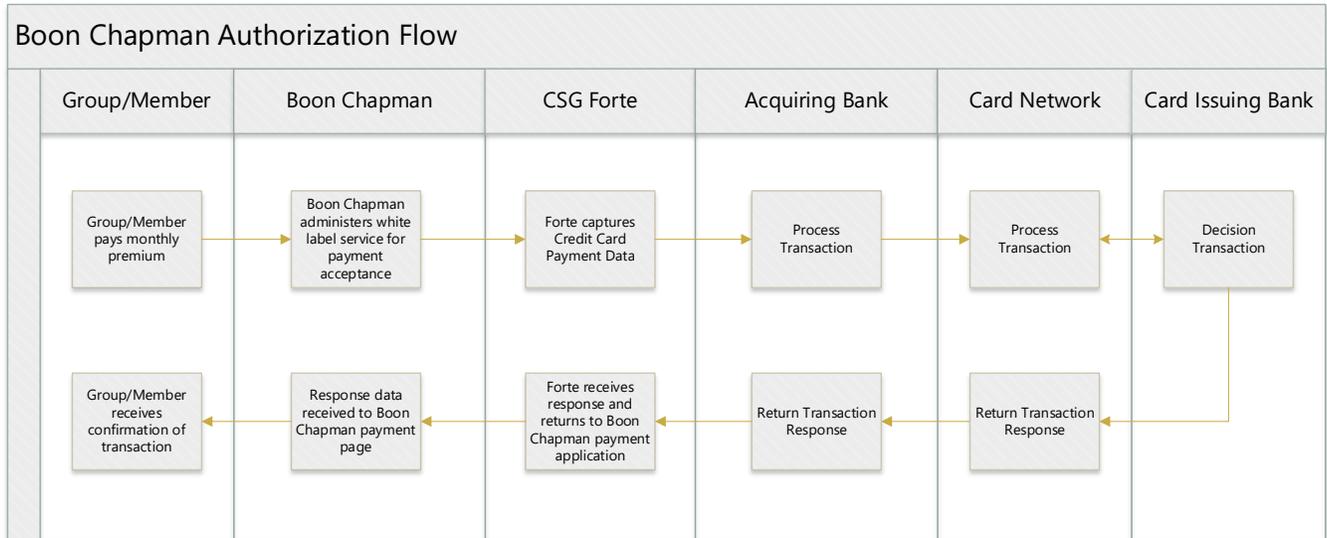
Exception Processing

- ACH Declines: Boon Chapman provides 24 hour notice to customer for any rejections. During the processing of the next cycle any ACH returns are re-attempted. Boon Chapman will reattempt only 2 times and after a failed 2nd reattempt, termination procedures will begin.
- Refunds: Individual has 90 days to decline and receive full refund from Boon Chapman. Any requests outside of 90 days will require Carrier to acknowledge eligibility for program termination

Miscellaneous

- Processing of MetLife ADP Employee Perks program expected to kickoff Jan 1, 2022 with transaction billing to begin Feb 1, 2022
- California Choice (MetLife Collaboration) expected to be picked up March 2022
- Pursuing additional opportunities
- Current ODFI is Frost Bank (TX) but BC is not requiring we continue processing with them

Architectural Flow





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Boon Chapman Funding Flow – CSG Forte as MoR

