

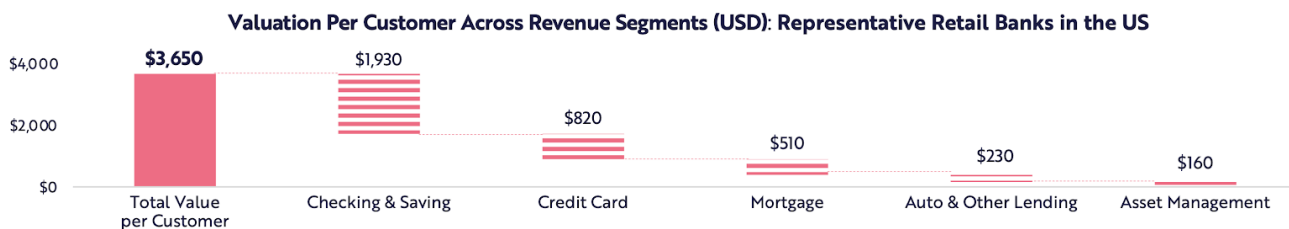
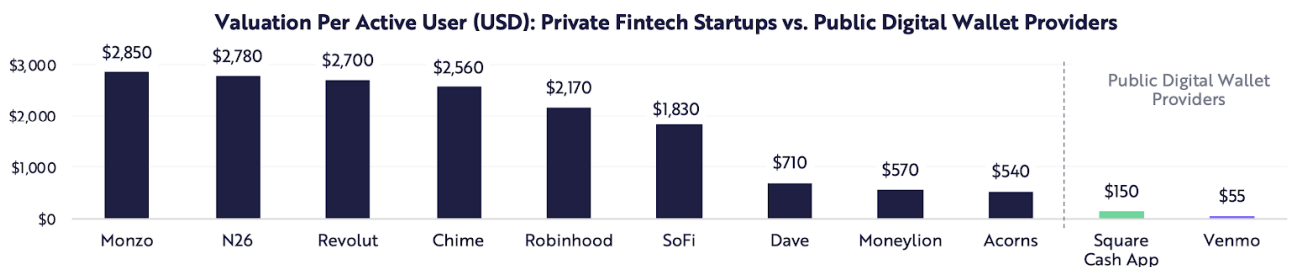
# PAYMENT CARD CASE STUDY

## Cost Per Acquisition & Valuation

### Case Study

**Case-Study:** Chime Debit Card launched with "No Members & No Social Media following". They spent money on Social media Ads: \$90-\$100 is their current CPA. Chime has acquired 3.5+ Million cardholders with a current valuation of \$35-45 Billion

**Life-time-Value (LTV):Case-Study:** Startups such as Monzo, Chime Card and Revolut Card valuation per active user measures in the high \$2,000's. It does give approximate insight into what investors believe about valuation. **Affinity Co-Branded Card Programs are categorized in the same type of product seen in the Chart below.**



Source: ARK Investment Management LLC, 2019. Company Information, ARK Estimates. For Cash App and Venmo using Square's and PayPal's price-to-sales multiple applied to estimated Cash App and Venmo revenue and divided by ARK's MAU (Monthly Active Users) estimate. For private Fintechs using last valuation divided by ARK's MAU estimate. | Representative Retail Banks: ARK Estimates based on JP Morgan Chase, Wells Fargo, US Bank, PNC Bank, Bank of America 2018 Annual Reports. This is not a recommendation in relation to any named securities and no warranty or guarantee is provided. Any references to particular securities are for illustrative purposes only.

Chime spends \$90-\$100 to acquire a customer and that customer, generates them \$2,560. Our Co-Branded Quick-Launch Mastercard is a robust Smart Card Program.

In addition, the built-in ecosystem comprised of Mastercard Marketplace businesses gives the Co-Branded Quick-Launch Mastercard Program a loyalty and retention program that could exceed LTV expectations above.

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### Revenue-Share Potential

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**The Co-Branded Quick-Launch Mastercard® is a "higher-income-driven" pro-shopping program and should at a minimum generate \$30 per card, per month:**

- 5,000 Active Cardholders = \$150,000 per month
- 10,000 Active Cardholder = \$300,000 per month
- 100,000 Active Cardholder = \$3,000,000 per month
- 350,000 Active Cardholders = \$10,500,000 per month
- 1,000,000 Active Cardholder = \$30,000,000 per month

**Cost prior to 50% Revenue-Share = approximately 30%.**

- 5,000 Active Cardholders = \$45,000 Cost per month
- 10,000 Active Cardholder = \$90,000 Cost per month
- 100,000 Active Cardholder = \$900,000 Cost per month
- 350,000 Active Cardholders = \$3,150,000 Cost per month
- 1,000,000 Active Cardholder = \$9,000,000 Cost per month

**50% Revenue-Share to the Co-Branded Quick-Launch Mastercard**

- 5,000 Active Cardholders = \$52,500 per month
- 10,000 Active Cardholder = \$105,000 per month
- 100,000 Active Cardholder = \$1,050,000 per month
- 350,000 Active Cardholders = \$3,675,000 per month
- 1,000,000 Active Cardholder = \$10,500,000 per month

### Chime Valuation & History

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Affinity Principal Founders consulted for a client in 2013 and developed a customized debit card program, unlike any other before. The program was approved by an FDIC U.S. Bank and Visa on the basis of our principal founders know-how, intellectual property and expertise in the payment card industry. As a result, client sold the Card Program developed by Affinity founders, to the now founders of CHIME.

The following article describes where Chime is today in terms of valuation:

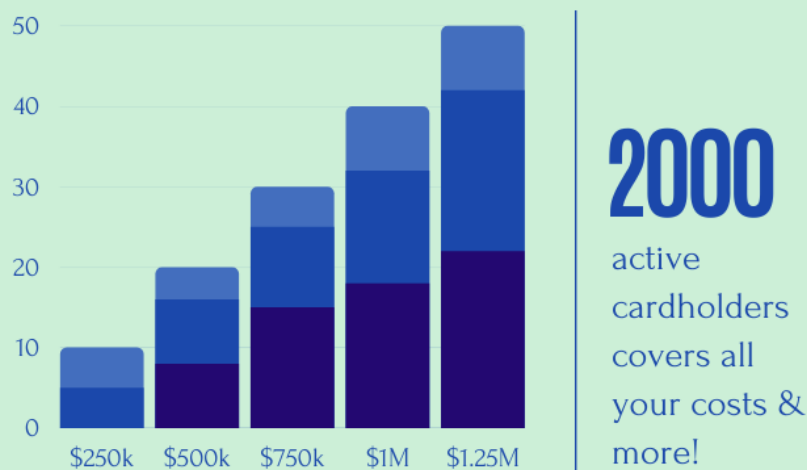
<https://www.forbes.com/sites/jeffkaufman/2021/10/23/chime-in-talks-to-go-public-at-35-to-45-billion-valuation/?sh=124fc9f832ff>

## PAYMENT CARD CASE STUDY

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### Breakeven Point

# MONTHLY PROGRAM REVENUE



Above left-column is in 1,000's. Average U.S. Prepaid Card Revenue per Month

**PREPAID PROGRAM:** 2,000 active cards generates Your Company approximately **\$17,500 monthly**

**AVERAGE US PREPAID CARD REVENUE IS \$25-\$28 PER CARD, PER MONTH**

### The Platform

It is a **Co-Branded Mastercard® program** sponsored by an FDIC insured financial institution, member of Mastercard®, issued on a PCI/DSS processing platform and administrated by an experienced program management team.

**It's a turn-key, automated revenue-sharing** smart card program that has integrated applications, such as online loading, Applepay, SamsungPay, GooglePay, eWallet, Secondary Student Cards, BillPay, MobileApp and a robust Online Banking interface.

**For a FREE CONSULTATION (\$350 Value) contact us at 310-945-5785** or go to <https://www.affinitypayment.com/get-your-card-program1.html> to fill out a simple form and schedule your free consulting session.