

STATEMENT ANALYSIS EXAMPLE

PROCESSOR/BACK-END: TSYS
PRICING TYPE: TIERED/THREE TIER

BASIC STATEMENT INFORMATION

In this section we're looking at the general information including:

| | |
|---|---|
| Processor name, address and telephone number | Business name, address and telephone number |
| Number of pages in the statement | Month of the statement ("processing month") |
| Association number | Merchant number |
| Routing and DDA (depository/settlement account) | Total fees deducted |

Merchant Statement

PROCESSOR / SALES OFFICE NAME
PROCESSOR ADDRESS
PROCESSOR TELEPHONE

Page 1 of 3

Processing Month: 05-15 2866

Association Number: 501

Merchant Number: 2866-

Routing Number: xxxxx

Deposit Account Number: xxxxx

MERCHANT NAME
MERCHANT ADDRESS

Amount Deducted:
\$ 3,839.03

PLAN SUMMARY

In this section we're seeing the overall picture of the merchants processing for the month. This section includes:

| | | |
|---|--|-----------------------|
| Type of card accepted ("plan code") | Net Sales (\$) <i>sales less credits</i> | Discount rate (%) |
| Number of sales (#) | Number of credits (#) | Discount per item (%) |
| Amount of sales (\$) | Amount of credits (\$) | Discount due |
| Average ticket (\$) <i>sales \$ / sales #</i> | | Minimum discount fee* |

*Minimum discount fee (*charged based on discount rate and discount per item ONLY, no interchange fees*)

PLAN CODES

| Plan Summary | | | | | | | | | |
|--------------|-----------------|-----------------|-------------------|-------------------|------------|----------------|----------|--------|--------------|
| Plan Code | Number of Sales | Amount of Sales | Number of Credits | Amount of Credits | Net Sales | Average Ticket | Disc P/I | Disc % | Discount Due |
| VS | 95 | 32,498.63 | 01 | 500.00 | 31,998.63 | 343.74 | .100 | 1.600 | 537.57 |
| VD | 198 | 49,710.18 | 04 | 1,266.20 | 48,443.98 | 252.36 | .220 | .950 | 528.75 |
| VB | 22 | 13,344.94 | 00 | .00 | 13,344.94 | 606.59 | .100 | 1.600 | 215.73 |
| MC | 40 | 40,875.26 | 00 | .00 | 40,875.26 | 1,021.88 | .100 | 1.600 | 658.02 |
| MD | 44 | 17,639.80 | 00 | .00 | 17,639.80 | 400.90 | .220 | .950 | 177.25 |
| MB | 08 | 3,111.43 | 00 | .00 | 3,111.43 | 388.93 | .100 | 1.600 | 50.59 |
| AM | 34 | 21,880.33 | 00 | .00 | 21,880.33 | 643.54 | .000 | .000 | .00 |
| DS | 02 | 161.13 | 00 | .00 | 161.13 | 80.57 | .100 | 1.600 | 2.78 |
| DD | 00 | .00 | 00 | .00 | .00 | .00 | .220 | .950 | .00 |
| DZ | 02 | 118.58 | 00 | .00 | 118.58 | 59.29 | .100 | 1.600 | 2.10 |
| DJ | 00 | .00 | 00 | .00 | .00 | .00 | .100 | 1.600 | .00 |
| DB | 00 | .00 | 00 | .00 | .00 | .00 | .070 | .000 | .00 |
| ** | 445 | 179,340.28 | 05 | 1,766.20 | 177,574.08 | 402.46 | | | 2,172.79 |

| PLAN CODES | | | | | TRANSACTION CODES | |
|-----------------------|-----------------------------|-----------------------|----------------------|---------------|-----------------------|--|
| VS -VISA | MC -MASTERCARD | DS -DISCOVER | JC -JCB | T -ALL PLANS | D-DEPOSIT | |
| VL -VISA LARGE TICKET | ML -MASTERCARD LARGE TICKET | DD -DISCOVER DEBIT | AM -AMERICAN EXPRESS | 1 -PLAN ONE | C-CHARGEBACK | |
| VD -VISA DEBIT | MD -MASTERCARD DEBIT | DZ -DISCOVER BUSINESS | DB -DEBIT | 2 -PLAN TWO | A-ADJUSTMENT | |
| VB -VISA BUSINESS | MB -MASTERCARD BUSINESS | DJ -DISCOVER JCB | EC -ELECTRONIC CHECK | 3 -PLAN THREE | B-CHARGEBACK REVERSAL | |
| VS -VISA CASH ADVANCE | MS -MASTERCARD CASH ADVANCE | DS -DISCOVER CASH ADV | EB -EBT | PP -PAYPAL | | |

VOLUME

The number of sales (transaction count/#) and amount of sales (dollar amount/\$) is shown here:

| Plan Summary | | | | | | | | | |
|--------------|-----------------|-----------------|-------------------|-------------------|------------|----------------|----------|--------|--------------|
| Plan Code | Number of Sales | Amount of Sales | Number of Credits | Amount of Credits | Net Sales | Average Ticket | Disc P/I | Disc % | Discount Due |
| VS | 95 | 32,498.63 | 01 | 500.00 | 31,998.63 | 343.74 | .100 | 1.600 | 537.57 |
| VD | 198 | 49,710.18 | 04 | 1,266.20 | 48,443.98 | 252.36 | .220 | .950 | 528.75 |
| VB | 22 | 13,344.94 | 00 | .00 | 13,344.94 | 606.59 | .100 | 1.600 | 215.73 |
| MC | 40 | 40,875.26 | 00 | .00 | 40,875.26 | 1,021.88 | .100 | 1.600 | 658.02 |
| MD | 44 | 17,639.80 | 00 | .00 | 17,639.80 | 400.90 | .220 | .950 | 177.25 |
| MB | 08 | 3,111.43 | 00 | .00 | 3,111.43 | 388.93 | .100 | 1.600 | 50.59 |
| AM | 34 | 21,880.33 | 00 | .00 | 21,880.33 | 643.54 | .000 | .000 | .00 |
| DS | 02 | 161.13 | 00 | .00 | 161.13 | 80.57 | .100 | 1.600 | 2.78 |
| DD | 00 | .00 | 00 | .00 | .00 | .00 | .220 | .950 | .00 |
| DZ | 02 | 118.58 | 00 | .00 | 118.58 | 59.29 | .100 | 1.600 | 2.10 |
| DJ | 00 | .00 | 00 | .00 | .00 | .00 | .100 | 1.600 | .00 |
| DB | 00 | .00 | 00 | .00 | .00 | .00 | .070 | .000 | .00 |
| ** | 445 | 179,340.28 | 05 | 1,766.20 | 177,574.08 | 402.46 | | | 2,172.79 |

CREDITS & NET SALES

The number of credits (transaction count/#), the amount of sales (volume/dollar amount/\$) and the total net sales amount (\$) which is the gross volume of sales

| Plan Summary | | | | | | | | | |
|--------------|-----------------|-----------------|-------------------|-------------------|------------|----------------|----------|--------|--------------|
| Plan Code | Number of Sales | Amount of Sales | Number of Credits | Amount of Credits | Net Sales | Average Ticket | Disc P/I | Disc % | Discount Due |
| VS | 95 | 32,498.63 | 01 | 500.00 | 31,998.63 | 343.74 | .100 | 1.600 | 537.57 |
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| VB | 22 | 13,344.94 | 00 | .00 | 13,344.94 | 606.59 | .100 | 1.600 | 215.73 |
| MC | 40 | 40,875.26 | 00 | .00 | 40,875.26 | 1,021.88 | .100 | 1.600 | 658.02 |
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| MB | 08 | 3,111.43 | 00 | .00 | 3,111.43 | 388.93 | .100 | 1.600 | 50.59 |
| AM | 34 | 21,880.33 | 00 | .00 | 21,880.33 | 643.54 | .000 | .000 | .00 |
| DS | 02 | 161.13 | 00 | .00 | 161.13 | 80.57 | .100 | 1.600 | 2.78 |
| DD | 00 | .00 | 00 | .00 | .00 | .00 | .220 | .950 | .00 |
| DZ | 02 | 118.58 | 00 | .00 | 118.58 | 59.29 | .100 | 1.600 | 2.10 |
| DJ | 00 | .00 | 00 | .00 | .00 | .00 | .100 | 1.600 | .00 |
| DB | 00 | .00 | 00 | .00 | .00 | .00 | .070 | .000 | .00 |
| ** | 445 | 179,340.28 | 05 | 1,766.20 | 177,574.08 | 402.46 | | | 2,172.79 |

AVERAGE TICKET

The average ticket is shown in this section, the average ticket takes the amount of sales (volume/dollar amount/\$) divided by the number of sales (transaction count/#.)

| Plan Summary | | | | | | | | | |
|--------------|-----------------|-----------------|-------------------|-------------------|------------|----------------|----------|--------|--------------|
| Plan Code | Number of Sales | Amount of Sales | Number of Credits | Amount of Credits | Net Sales | Average Ticket | Disc P/I | Disc % | Discount Due |
| VS | 95 | 32,498.63 | 01 | 500.00 | 31,998.63 | 343.74 | .100 | 1.600 | 537.57 |
| VD | 198 | 49,710.18 | 04 | 1,266.20 | 48,443.98 | 252.36 | .220 | .950 | 528.75 |
| VB | 22 | 13,344.94 | 00 | .00 | 13,344.94 | 606.59 | .100 | 1.600 | 215.73 |
| MC | 40 | 40,875.26 | 00 | .00 | 40,875.26 | 1,021.88 | .100 | 1.600 | 658.02 |
| MD | 44 | 17,639.80 | 00 | .00 | 17,639.80 | 400.90 | .220 | .950 | 177.25 |
| MB | 08 | 3,111.43 | 00 | .00 | 3,111.43 | 388.93 | .100 | 1.600 | 50.59 |
| AM | 34 | 21,880.33 | 00 | .00 | 21,880.33 | 643.54 | .000 | .000 | .00 |
| DS | 02 | 161.13 | 00 | .00 | 161.13 | 80.57 | .100 | 1.600 | 2.78 |
| DD | 00 | .00 | 00 | .00 | .00 | .00 | .220 | .950 | .00 |
| DZ | 02 | 118.58 | 00 | .00 | 118.58 | 59.29 | .100 | 1.600 | 2.10 |
| DJ | 00 | .00 | 00 | .00 | .00 | .00 | .100 | 1.600 | .00 |
| DB | 00 | .00 | 00 | .00 | .00 | .00 | .070 | .000 | .00 |
| ** | 445 | 179,340.28 | 05 | 1,766.20 | 177,574.08 | 402.46 | | | 2,172.79 |

DISCOUNT RATE - PER ITEM/DISCOUNT PERCENTAGE

In this example, we're seeing a \$0.10 per item fee for credit, a \$.22 per item fee for debit (non PIN) and a 1.60% discount rate for credit along with a .95% basis points (bpts) discount rate for debit (non PIN). We also see a \$.07 per item fee for PIN based debit. Some statements will show the discount rate written out as .0160, which is the same as 1.60%. *(Applied to monthly minimum, if applicable)*

| Plan Summary | | | | | | | | | |
|--------------|-----------------|-----------------|-------------------|-------------------|------------|----------------|----------|--------|--------------|
| Plan Code | Number of Sales | Amount of Sales | Number of Credits | Amount of Credits | Net Sales | Average Ticket | Disc P/I | Disc % | Discount Due |
| VS | 95 | 32,498.63 | 01 | 500.00 | 31,998.63 | 343.74 | .100 | 1.600 | 537.57 |
| VD | 198 | 49,710.18 | 04 | 1,266.20 | 48,443.98 | 252.36 | .220 | .950 | 528.75 |
| VB | 22 | 13,344.94 | 00 | .00 | 13,344.94 | 606.59 | .100 | 1.600 | 215.73 |
| MC | 40 | 40,875.26 | 00 | .00 | 40,875.26 | 1,021.88 | .100 | 1.600 | 658.02 |
| MD | 44 | 17,639.80 | 00 | .00 | 17,639.80 | 400.90 | .220 | .950 | 177.25 |
| MB | 08 | 3,111.43 | 00 | .00 | 3,111.43 | 388.93 | .100 | 1.600 | 50.59 |
| AM | 34 | 21,880.33 | 00 | .00 | 21,880.33 | 643.54 | .000 | .000 | .00 |
| DS | 02 | 161.13 | 00 | .00 | 161.13 | 80.57 | .100 | 1.600 | 2.78 |
| DD | 00 | .00 | 00 | .00 | .00 | .00 | .220 | .950 | .00 |
| DZ | 02 | 118.58 | 00 | .00 | 118.58 | 59.29 | .100 | 1.600 | 2.10 |
| DJ | 00 | .00 | 00 | .00 | .00 | .00 | .100 | 1.600 | .00 |
| DB | 00 | .00 | 00 | .00 | .00 | .00 | .070 | .000 | .00 |
| ** | 445 | 179,340.28 | 05 | 1,766.20 | 177,574.08 | 402.46 | | | 2,172.79 |

DISCOUNT DUE

The discount due is based on the discount per item and discount percentage multiplied by the number of sales and amount of sales. In this example, the first row (VS) is Visa, so to reach the \$537.57 discount due for Visa would be 95 items multiplied by \$.10 discount per item plus the \$32,498.63 multiplied by the 1.60% discount percentage rate.

| Plan Summary | | | | | | | | | |
|--------------|-----------------|-----------------|-------------------|-------------------|------------|----------------|----------|--------|--------------|
| Plan Code | Number of Sales | Amount of Sales | Number of Credits | Amount of Credits | Net Sales | Average Ticket | Disc P/I | Disc % | Discount Due |
| VS | 95 | 32,498.63 | 01 | 500.00 | 31,998.63 | 343.74 | .100 | 1.600 | 537.57 |
| VD | 198 | 49,710.18 | 04 | 1,266.20 | 48,443.98 | 252.36 | .220 | .950 | 528.75 |
| VB | 22 | 13,344.94 | 00 | .00 | 13,344.94 | 606.59 | .100 | 1.600 | 215.73 |
| MC | 40 | 40,875.26 | 00 | .00 | 40,875.26 | 1,021.88 | .100 | 1.600 | 658.02 |
| MD | 44 | 17,639.80 | 00 | .00 | 17,639.80 | 400.90 | .220 | .950 | 177.25 |
| MB | 08 | 3,111.43 | 00 | .00 | 3,111.43 | 388.93 | .100 | 1.600 | 50.59 |
| AM | 34 | 21,880.33 | 00 | .00 | 21,880.33 | 643.54 | .000 | .000 | .00 |
| DS | 02 | 161.13 | 00 | .00 | 161.13 | 80.57 | .100 | 1.600 | 2.78 |
| DD | 00 | .00 | 00 | .00 | .00 | .00 | .220 | .950 | .00 |
| DZ | 02 | 118.58 | 00 | .00 | 118.58 | 59.29 | .100 | 1.600 | 2.10 |
| DJ | 00 | .00 | 00 | .00 | .00 | .00 | .100 | 1.600 | .00 |
| DB | 00 | .00 | 00 | .00 | .00 | .00 | .070 | .000 | .00 |
| ** | 445 | 179,340.28 | 05 | 1,766.20 | 177,574.08 | 402.46 | | | 2,172.79 |

DEPOSITS

In this section we can see pertinent batch information including the date of the settlement, transaction code, plan code, number of sales, and amount of credits, discount paid and net deposit. We want to pay mind to batch settlement date, ensuring we see consistent daily batch history. When we see a merchant go days without settling a batch, we expect to see higher interchange expense (for example, a high percentage of Visa EIRF downgrades which occur when a merchant settles the transaction 24 hours after the initial authorization of the transaction.)

| Deposits | | | | | | | | |
|----------|------------------|-----------|-----------|-----------------|-----------------|-------------------|---------------|-------------|
| Day | Reference Number | Tran Code | Plan Code | Number of Sales | Amount of Sales | Amount of Credits | Discount Paid | Net Deposit |
| 01 | 90001010018 | D | T | 18 | 19,635.04 | .00 | .00 | 19,635.04 |
| 01 | 90001640256 | D | T | 05 | 3,126.80 | .00 | .00 | 3,126.80 |
| 01 | 90001310849 | D | T | 02 | 75.37 | .00 | .00 | 75.37 |
| 04 | 90001020012 | D | T | 12 | 1,694.23 | .00 | .00 | 1,694.23 |
| 04 | 90001320853 | D | T | 02 | 122.73 | .00 | .00 | 122.73 |
| 04 | 90001030007 | D | T | 07 | 1,997.67 | .00 | .00 | 1,997.67 |
| 04 | 90001650263 | D | T | 03 | 725.00 | .00 | .00 | 725.00 |
| 04 | 90001330857 | D | T | 02 | 40.22 | .00 | .00 | 40.22 |
| 05 | 90001040014 | D | T | 14 | 2,809.12 | .00 | .00 | 2,809.12 |
| 05 | 90001660266 | D | T | 01 | 500.00 | 200.00 | .00 | 300.00 |
| 06 | 90001050020 | D | T | 20 | 4,891.94 | .00 | .00 | 4,891.94 |
| 06 | 90001340859 | D | T | 01 | 84.41 | .00 | .00 | 84.41 |
| 06 | 90001670267 | D | T | 01 | 1,400.00 | .00 | .00 | 1,400.00 |
| 07 | 90001060020 | D | T | 20 | 12,407.13 | .00 | .00 | 12,407.13 |
| 07 | 90001680278 | D | T | 05 | 2,115.00 | 500.00 | .00 | 1,615.00 |
| 07 | 90001350871 | D | T | 06 | 438.65 | .00 | .00 | 438.65 |
| 08 | 90001070016 | D | T | 16 | 5,927.21 | .00 | .00 | 5,927.21 |
| 08 | 90001690290 | D | T | 05 | 3,297.66 | .00 | .00 | 3,297.66 |
| 08 | 90001360879 | D | T | 03 | 116.67 | .00 | .00 | 116.67 |
| 11 | 90001080015 | D | T | 15 | 3,566.94 | .00 | .00 | 3,566.94 |
| 11 | 90001370885 | D | T | 03 | 159.00 | .00 | .00 | 159.00 |
| 11 | 90001700292 | D | T | 01 | 4,235.00 | .00 | .00 | 4,235.00 |
| 11 | 90001090004 | D | T | 04 | 2,586.60 | .00 | .00 | 2,586.60 |
| 11 | 90001380891 | D | T | 03 | 361.89 | .00 | .00 | 361.89 |
| 11 | 90001710305 | D | T | 05 | 7,162.00 | .00 | .00 | 7,162.00 |
| 12 | 90001100013 | D | T | 13 | 1,398.89 | .00 | .00 | 1,398.89 |
| 12 | 90001720307 | D | T | 01 | 500.00 | .00 | .00 | 500.00 |
| 13 | 90001110014 | D | T | 14 | 4,177.98 | .00 | .00 | 4,177.98 |
| 13 | 90001390897 | D | T | 03 | 88.05 | .00 | .00 | 88.05 |
| 13 | 90001730309 | D | T | 01 | 2,500.00 | .00 | .00 | 2,500.00 |

| PLAN CODES | | | | TRANSACTION CODES | |
|------------------------|------------------------------|------------------------|----------------------|-------------------|-----------------------|
| VS -VISA | MC -MASTERCARD | DS -DISCOVER | JC -JCB | T -ALL PLANS | D-DEPOSIT |
| VL -VISA LARGE TICKET | ML -MASTERCARD LARGE TICKET | DD -DISCOVER DEBIT | AM -AMERICAN EXPRESS | 1 -PLAN ONE | C-CHARGEBACK |
| VD -VISA DEBIT | MD -MASTERCARD DEBIT | DZ -DISCOVER BUSINESS | DB -DEBIT | 2 -PLAN TWO | A -ADJUSTMENT |
| VB -VISA BUSINESS | MB -MASTERCARD BUSINESS | DJ -DISCOVER JCB | EC -ELECTRONIC CHECK | 3 -PLAN THREE | B-CHARGEBACK REVERSAL |
| V\$ -VISA CASH ADVANCE | M\$ -MASTERCARD CASH ADVANCE | D\$ -DISCOVER CASH ADV | EB -EBT | PP -PAYPAL | |

FEES

The fees section can include any of the following:

| | |
|---|---|
| Processor Fees | Sales Agent/ISO Fees |
| Interchange & Assessments | Interchange Downgrade Fees/ Surcharges |
| American Express OptBlue Fees | PIN Debit Network Fees |
| Authorization & Transaction Fees | Association Pass Through Fees |

Fees are often charged as monthly, quarterly, bi-annually or annually.

| Fees | | | |
|--------|------------|-----------------------------|--------|
| Number | Amount | Description | Total |
| | | PCI MONTHLY | 6.00 |
| | | STATEMENT FEE | 6.00 |
| | | WEB REPORTS/ALERTS | 9.75 |
| | | SUPPORT FEE MONTHLY | 10.00 |
| | | ONLINE REPORTING FEE | 4.95 |
| | | VISA NPF | 14.90 |
| 01 | | MISUSE OF AUTHORIZATION FEE | .05 |
| 126 | | ACQUIRER PROCESSING FEE | 2.46 |
| | | POS & BENEFITS CLUB | 9.95 |
| 07 | 1,362.07 | INTEGRITY FEE | .84 |
| 07 | 10,828.72 | DIGITAL ENBLMT | 1.07 |
| 04 | 279.71 | DDUC | .07 |
| 463 | | AUTHORIZATION FEES | 32.41 |
| 12 | | AVS FEES | 12.00 |
| 66 | | BATCH HEADER FEE | 16.50 |
| 04 | 279.71 | DISCOVER NON-QUALIFIED | 4.32 |
| 407 | 157,459.95 | ASSESSMENT | 216.56 |
| 01 | 1,597.66 | MASTERCARD DB NON-QUALIFIED | 22.47 |
| 01 | 36.74 | MASTERCARD MID-QUALIFIED | .25 |
| 49 | 44,381.92 | MASTERCARD NON-QUALIFIED | 626.25 |

FEES – INTERCHANGE / DOWNGRADE FEES / SURCHARGES

With this statement being tiered, we are seeing interchange categories listed together as mid-qualified and non-qualified along with the volume that qualified in that particular category and the fee amount billed. For statements where the merchant is priced as cost plus, we would expect to see interchange categories listed individually (names and/or rates) rather than lumped together in “buckets.”

To figure out the rate being billed for the mid-qualified and non-qualified transactions, take the total fee billed and divide it into the total volume. Using this example for “Discover Non-Qualified,” we would take \$4.32 / \$279.71 to come up with .0154, multiply that by 100 to move the decimal place to get 1.54%.

The words “surcharge” or “differential” usually indicate EBB pricing. The words “mid-qualified” and “non-qualified” generally indicate tiered pricing.

FEES – PASS THROUGH ASSOCIATION FEES

The [Pivotal Learning Center](#) provides a document to identify pass through association fees & their respective rates. These fees are billed by the card brands or payment networks. Some pass through association fees are billed based on sales volume (\$), others on the number of transactions (#), and one fee in particular, the Visa FANF fee is based on volume (\$) and SIC code. When looking at a merchant’s statement, reference the pass through association fee guide to determine whether a line item is actually interchange or an association pass through fee.

| BASED ON VOLUME | BASED ON NUMBER OF TRANSACTIONS |
|--|---|
| ASSESSMENTS (V/MC/DISC) | BASE II TRAN FEE (BASE II/KILOBYTE) |
| VISA SETTLEMENT NETWORK ACCESS FEE | ZERO DOLLAR VERIFICATION FEE |
| VISA INTERNATIONAL ASSESSMENT FEE | VISA MISUSE / MISUSE OF AUTHORIZATION FEE |
| VISA INTERNATIONAL ACQUIRER FEE | VISA ZERO FLOOR LIMIT FEE |
| MASTERCARD CROSSBORDER FEE | VISA TRANSACTION INTEGRITY FEE |
| MASTERCARD DIGITAL ENABLEMENT FEE | VISA ACQUIRER PROCESSING FEE (APF) |
| MASTERCARD ACQUIRER LICENSE FEE (ALF) | MASTERCARD NABU FEE |
| DISCOVER INTERNATIONAL ASSESSMENT FEE | MASTERCARD AVS – CARD NOT PRESENT |
| | MASTERCARD CARD VALIDATION CODE FEE |
| BASED ON VOLUME & SIC CODE | DISCOVER DATA USAGE FEE |
| VISA FIXED ACQUIRER NETWORK FEE (FANF) | DISCOVER NETWORK AUTHORIZATION FEE |

FEES – AUTHORIZATION FEES

Authorization fees bill each time the terminal dials out to an issuer for approval of a transaction. Authorization fees are charged to a merchant even in instances of a decline.

FEES – TRANSACTION FEES

Transaction fees bill each time the terminal dials out to the processor for settlement. Transaction fees are charged to a merchant only on settled/captured transactions. *(Applied to monthly minimum)*

FEES – [AMERICAN EXPRESS OPTBLUE FEES](#)

American Express does not participate in interchange like Visa, MasterCard and Discover. AmEx has their own unique program of fees which bill in three distinct tiers based on the business type (retail, healthcare, restaurant etc.) and the dollar amount of the transaction.

FEES – PIN DEBIT NETWORK FEES

When a merchant accepts PIN based debit transactions, those do not qualify in interchange like Visa, MasterCard and Discover. Issuing banks partner with PIN debit networks like STAR, MAESTRO, ACCEL, PULSE etc. to offer debit card services. Each of these networks has their own interchange rate (not rates like V/MC/DISC). When a cardholder uses a debit card as signature, the debit transaction flows through interchange (referred to as signature based or offline debit). When a cardholder uses a debit transaction as PIN, the debit transaction flows through the PIN network interchange (referred to as PIN based or online debit).

FEES – PROCESSOR FEES

Processor fees can include fees for security, product use, payment card compliance (PCI), industry regulations, data compromises etc. The fees may vary between each merchant, even between locations for multiple location merchants. These fees are also often billed on quarterly, semi-annual or an annual basis. There may also be third party fees for use of specific products (like internet gateway processing platforms, i.e. Authorize.net.)

FEES – SALES AGENT/ISO FEES

Processor fees can include fees for monthly service, statements, batch header (each time the terminal settles out a batch of approved transactions), product use, etc. These fees may be processor fees in the beginning, but are generally marked up by the sales agent/ISO for additional revenue or can be eliminated and covered by the sales agent/ISO when desired. These types of fees are referred to as sales agent fees since their price is determined by the sales agent.

EFFECTIVE RATE

One of the most useful pieces of information we can draw from a merchant's processing statement is their effective rate. An effective rate takes into account all fees, including discount, per transaction/item, per authorization, interchange and interchange surcharges etc. This gives a clear picture of the merchants "all-in" cost.

To calculate an effective rate, divide the total fees into the total volume. To move the decimal place over, multiply the product by 100. In this example, we would take \$3,839.03 / \$179,340.28 to come up with an effective rate of 2.14%.

Amount Deducted:
\$ 3,839.03

| Plan Summary | | | | | | | | | |
|--------------|-----------------|-------------------|-------------------|-------------------|-------------------|----------------|----------|--------|-----------------|
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| MC | 40 | 40,875.26 | 00 | .00 | 40,875.26 | 1,021.88 | .100 | 1.600 | 658.02 |
| MD | 44 | 17,639.80 | 00 | .00 | 17,639.80 | 400.90 | .220 | .950 | 177.25 |
| MB | 08 | 3,111.43 | 00 | .00 | 3,111.43 | 388.93 | .100 | 1.600 | 50.59 |
| AM | 34 | 21,880.33 | 00 | .00 | 21,880.33 | 643.54 | .000 | .000 | .00 |
| DS | 02 | 161.13 | 00 | .00 | 161.13 | 80.57 | .100 | 1.600 | 2.78 |
| DD | 00 | .00 | 00 | .00 | .00 | .00 | .220 | .950 | .00 |
| DZ | 02 | 118.58 | 00 | .00 | 118.58 | 59.29 | .100 | 1.600 | 2.10 |
| DJ | 00 | .00 | 00 | .00 | .00 | .00 | .100 | 1.600 | .00 |
| DB | 00 | .00 | 00 | .00 | .00 | .00 | .070 | .000 | .00 |
| ** | 445 | 179,340.28 | 05 | 1,766.20 | 177,574.08 | 402.46 | | | 2,172.79 |