

ACQUIRER PASS THROUGH FEES

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

Not all fees will be present on every merchant statement; some may be inflated, deflated or absorbed by the processor all together.

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ALL CARD TYPES

ASSESSMENTS

All major card brands including Visa, MasterCard, Discover and American Express charge assessments. The fee collected is what the card brands keep on each debit and credit transaction that settles and clears through its respective network. Assessments help offset the card brands cost of doing business (expenses, salaries, advertising etc.)

BASE II/KILOBYTE FEE (Visa \$.0047, MasterCard \$.0044)

VisaNET Integrated Payment System (VIP) is the processing network for Visa. The system is comprised of a number of different components including an authorization system (referred to as Base I) and a settlement system (referred to as Base II.) Visa charges a small transaction fee each time they access the VIP to authorize or settle a transaction. A fee is also charged each time an authorization request is submitted to the VIP Base I system, and a settlement network access fee is charged each time a settlement request is submitted to the VIP Base II system. Combined these fees are referred to as Base II/Kilobyte fees which many processors pass through to merchants.

ZERO DOLLAR VERIFICATION FEE \$.025

The Zero Dollar Verification fee applies to Zero Dollar Verification messages (approved and declined). Zero Dollar Verification messages include the verification of the card account number, address verification (through AVS), Card Verification Value 2 (CVV2) and Single Message System (SMS) acquired Account Verification authorizations. The Visa Misuse of Authorization Fee does not apply to these requests. The fee applies when you want to verify a cardholder's information without actually authorizing an amount of their card.

INTERNATIONAL FEES

VISA INTERNATIONAL SERVICE ASSESSMENT FEE .40% (.80% for foreign currency transactions)

Similar to MasterCard's Cross Border Fee, the Visa International Assessment Fee is billed on any transaction on a foreign issued credit card that occurs on a U.S. based merchant account. The fee charged is higher when a foreign cardholder is billed in their local currency.

VISA INTERNATIONAL ACQUIRER FEE .45%

The International Acquirer Fee applies under the same circumstances as the International Service Assessment Fee (ISA) noted above.

MASTERCARD CROSS BORDER FEES .60% (.80% for foreign currency transactions)

Implemented in 2005, any transaction on a foreign issued credit card that occurs on a U.S. based merchant account. Merchants billing a foreign cardholder in U.S. currency is assessed a lower rate while merchants billing a foreign cardholder in their local currency is billed a higher fee. Processors (such as Pivotal Payments) who support multi-currency can reduce and even eliminate cross border fees.

DISCOVER INTERNATIONAL SERVICE ASSESSMENT FEE .55%

In addition to the Discover International Processing Fee, the Discover International Service Assessment Fee applies on all foreign cards accepted by U.S. based merchants.

DISCOVER INTERNATIONAL PROCESSING FEE .40%

Similar to Visa and MasterCard International and Cross Border Fees

VISA

VISA RISK IDENTIFICATION FEE \$.001

The risk identification fee is charged on Visa transactions.

VISA ACQUIRER PROCESSING FEE (APF) \$.0195 (\$.0155 for debit)

Implemented in 2009 for any transaction authorized on the Visa network, this fee applies on all Visa signature debit and credit transactions if they are settled or not. This fee is billed irrespective of where the issuer and cardholder are located.

VISA SETTLEMENT NETWORK ACCESS FEE (\$.0025)

The Settlement Network Access Fee applies to all settled (batched out) Visa transactions by a U.S. merchant. If the merchant's business is based in the U.S., the settlement network access fee will apply to all Visa settled (batched out) transactions. The fee is charged on a per item basis.

Note: The Settlement Network Access Fee and Acquirer Processing Fee will both apply to the vast majority of Visa transactions or U.S.-based businesses bringing the total combined fee to \$0.022

VISA MISUSE OF AUTHORIZATION FEE \$.045

Implemented in 2009 for any authorization not properly reversed on the Visa network. Authorizations which are obtained but not settled must be reversed within 24 hours (for a card present transaction); within 72 hours (for card-not-present and e-commerce transactions.) Settlement must occur within 10 days (20 for travel and entertainment merchants.)

VISA ZERO FLOOR LIMIT \$.10

Any cleared transactions that can't be matched to a previously approved or partially-approved authorization is billed a Visa Zero Floor Limit Fee. This fee applies to settlement transactions submitted without a proper authorization.

VISA TRANSACTION INTEGRITY FEE (TIF) \$.10 (\$0.12 on Pivotal MIDs)

Implemented in 2012, a Transaction Integrity Fee of \$0.10 is charged on transactions involving Visa debit and prepaid cards that do not meet CPS requirements.

VISA FANF (FIXED ACQUIRER NETWORK FEE / NPF)

There are multiple factors that are considered when this fee is calculated including payment environment (card present / card-not-present), SIC code (with specific rules around fast food & charitable organizations), processed volume, number of locations, merchant risk (including high risk SIC codes). This fee is billed in arrears, so any FANF fee appearing on a merchant statement is typically charged based upon the previous month (or quarters) processing. The minimum FANF fee is \$2 (\$3 for Pivotal MIDs).

MASTERCARD

MASTERCARD NABU \$.0195

Implemented in 2009 for any transaction settling and clearing through the MasterCard network, applies to all MasterCard debit and credit transactions.

MASTERCARD DIGITAL ENABLEMENT FEE .01%

Implemented in 2015, this fee is assessed on MasterCard card-not-present sales volume involving signature debit, consumer credit and commercial credit transactions.

MASTERCARD ACQUIRER LICENSE FEE .0045%

Implemented in 2012, an Acquirer License Fee of .0045% is assessed on gross MasterCard processing volume. This fee is also referred to by several processors as a *License Volume Fee*.

MASTERCARD LICENSE RATE/ ACQUIRER LICENSE FEE (ALF) .0045%

The Acquirer License Fee applies to gross (sales + refunds) MasterCard processing volume.

MASTERCARD ACQUIRER SUPPORT FEE 0.85%

The Acquirer Program Support Fee applies under the same circumstances as the Cross-Border Assessment Fee (Domestic) noted above.

MASTERCARD CARD VALIDATION CODE FEE \$.0025

Implemented in 2013, the Card Validation Code 2 (CVC2) transaction fee is \$0.0025. A CVC2 (referred to as CVV with Visa) is the three digit code on the back of the card. This fee is charged on transactions acquired in the United States with the CVC2 included in the transaction for authorization and the CVC2 response value equals 'M' (Match) or 'N' (Invalid/did not match). The fee does not apply to Account Status Inquiry (ASI) requests.

DISCOVER

DISCOVER DATA USAGE FEE \$.0185

This fee applies to all U.S. based authorization transactions.

NETWORK AUTHORIZATION FEE \$.0025

The Network Authorization Fee applies to all Discover authorizations. The fee is charged on a per item basis.

VISA FANF TABLES

1a HIGH-VOLUME MCC MERCHANTS (CARD PRESENT)

HIGH VOLUME MCC'S

BELOW 1a TABLE

Tier	Number of Locations	Price per Location per Month
1	1	\$2.90
2	2	
3	3	
4	4	\$4.00
5	5	
6	6 - 10	
7	11 - 20	\$5.00
8	21 - 50	
9	51 - 100	\$8.00
10	101 - 150	\$12.00
11	151 - 200	\$18.00
12	201 - 250	\$25.00
13	251 - 500	\$35.00
14	501 - 1,000	\$45.00
15	1,001 - 1,500	\$55.00
16	1,501 - 2,000	\$65.00
17	2,001 - 4,000	\$75.00
18	≥ 4,001	\$85.00 (capped at 4,001 billable locations)
19	Any number of locations and total monthly gross sales volume is less than or equal to \$199.99	\$0.00
20	Any number of locations and total monthly gross sales volume is \$200.00 - \$1,249.99	0.15% of total monthly gross sales volume which covers all locations

MCC(s)	Description
3000-3299, 4511	Airlines
3300-3499, 7512	Auto Rental
3500-3999, 7011	Lodging
4411	Steamship / Cruise Lines
4829	Wire Transfer Money Order
5200	Home Supply Warehouse Stores
5300	Wholesale Clubs
5309	Duty Free Stores
5310	Discount Stores
5311	Department Stores
5411	Grocery Stores and Supermarkets
5511	Car and Truck Dealers / New / Used
5532	Automotive Tire Stores
5541	Service Stations (With or Without Ancillary Services)
5542	Automated Fuel Dispensers
5651	Family Clothing Stores
5655	Sports / Riding Apparel Stores
5712	Furniture / Equipment Stores
5732	Electronic Stores
5912	Drugstores and Pharmacies
5943	Stationery Stores
7012	Timeshares
7832	Motion Picture Theatres

1b ALL OTHER MCC MERCHANTS (CARD PRESENT)

Tier	Number of Locations	Price per Location per Month
1	1	\$2.00
2	2	
3	3	
4	4	\$2.90
5	5	
6	6 - 10	
7	11 - 20	\$4.00
8	21 - 50	
9	51 - 100	\$6.00
10	101 - 150	\$8.00
11	151 - 200	\$10.00
12	201 - 250	\$14.00
13	251 - 500	\$24.00
14	501 - 1,000	\$32.00
15	1,001 - 1,500	\$40.00
16	1,501 - 2,000	\$50.00
17	2,001 - 4,000	\$60.00
18	≥ 4,001	\$65.00 (capped at 4,001 billable locations)
19	Any number of locations and total monthly gross sales volume is less than or equal to \$199.99	\$0.00
20	Any number of locations and total monthly gross sales volume is \$200.00 - \$1,249.99	0.15% of total monthly gross sales volume which covers all locations

TABLE 2 CARD NOT PRESENT, AGGREGATORS, FAST FOOD RESTAURANTS

Tier	Monthly Gross Sales Volume ¹		FANF assessment per Month
	Monthly Min	Monthly Max	
1	Less than or equal to \$199.99		\$0.00
2	\$200.00	\$1,249.99	0.15% of total monthly gross sales volume
3	\$1,250.00	\$3,999.99	\$7.00
4	\$4,000.00	\$7,999.99	\$9.00
5	\$8,000.00	\$39,999.99	\$15.00
6	\$40,000.00	\$199,999.99	\$45.00
7	\$200,000.00	\$799,999.99	\$120.00
8	\$800,000.00	\$1,999,999.99	\$350.00
9	\$2,000,000.00	\$3,999,999.99	\$700.00
10	\$4,000,000.00	\$7,999,999.99	\$1,500.00
11	\$8,000,000.00	\$19,999,999.99	\$3,500.00
12	\$20,000,000.00	\$39,999,999.99	\$7,000.00
13	\$40,000,000.00	\$79,999,999.99	\$15,000.00
14	\$80,000,000.00	\$399,999,999.99	\$30,000.00
15	Greater than or equal to \$400,000,000.00		\$40,000.00