

Merchant Account and Interchange new fees 2009

Visa and MasterCard
payment processing fee
increases, PCI Compliance
annual fee.



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Fee increases

- Visa and Mastercard are now publicly held. They are aggressively creating new merchant fees to improve profits, likely offsetting losses from other sides of the business hit by economic conditions.
- PCI Compliance remains a national issue and enforcement will increase for merchants of all sizes.
- First Payment systems will pass on direct cost increases as per client merchant agreements.



Visa Acquires Processing Fee (APF)

- \$0.0195 on all **Visa** branded authorizations acquired in the US regardless of where the issuer/cardholder is located. Effective July 1, 2009.
- \$.0185 **MasterCard Network Access and Brand Usage Fee (NABU)** for all U.S. issued transactions settled with MasterCard, announced in April 2009.



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Visa Zero Floor Limit Fee

(clearing without authorization) This fee is applied for any clearing transaction submitted that cannot be matched to previously approved or partially-approved authorization transactions. The new fee will be \$0.10 and is effective July 1, 2009.

Note: [CenPOS](#) signature capture and virtual terminal users have the ability to block these transactions from occurring, or requiring an override to bypass.



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Visa Misuse of Authorization Fee

(authorization without clearing)

Beginning July, 2009, Visa will apply the announced fee of \$0.045 to authorizations that are not followed by a matching clearing transaction (or in the case of a cancelled or timed out authorization, not properly reversed).



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International Service Assessment Fee

New Visa fee Effective April 4, 2009

- 0.40% (40 basis points) **Visa International Service Assessment (ISA)** fee on all international (non U.S. card) transactions processed by a U.S. merchant.

Existing similar fees:

- 0.40%. (existing fee) **MasterCard U.S. Cross Border Assessment Fee** on all card transactions that originate outside the United States, where the cardholder's country code differs from the merchant's country code.

Note: these are not downgrades; there is no way to avoid these fees which should appear as separate line items on your statement.



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PCI Compliance Fee

- First Data has rolled out an aggressive plan to begin notifying Tier 4 Merchants of their obligations to become PCI compliant. With this they will require all merchants to complete a self assessment survey and **all merchants will be subject to a \$79 annual compliance fee; non-compliance will be treated with additional fees of \$19.95 per month.**
- If you have not already completed, please go to [PCI Security Standards Council](#), download the appropriate DSS Self-Assessment Questionnaire, and immediately complete.



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Questions?

1. Search my [credit card processing blog](#) for links and more articles.
2. Join me for a live Webex presentation
 - Credit Card Fees review
 - Merchant statement review- finding the problem areas that cost you money
 - Q&A PCI compliance issues
3. What is CenPOS? See next slide
Contact Christine Speedy 954-942-0483.



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What is CenPOS?

CenPOS is a technology solution with an intelligent switch that makes your credit cards, checks, loyalty program and alternative payments work better.

- It is NOT credit card processing.
- Features **least cost routing** - directing transactions to the lowest cost possible network, while removing the cashier from the process. Numerous anti-fraud and other critical benefits.
- Ideal for mid and large size businesses with a large volume of payment transactions, including check and credit card.
- Cost is basically a per transaction fee, plus any terminal costs if needed.

