

Insight into Residuals and Pricing Merchants for Profitability

Presented By:

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Insight into Residuals & Pricing for Profitability

- Interchange
- Dual Pricing
- Residuals

Pricing for Profitability

Interchange

**Low-Ticket Accounts
vs
Mid-Ticket Accounts
vs
High-Ticket Accounts**

**Minimal-Priced
Accounts
vs
Typical-Priced
Accounts**

**Which Pick-a-Tier Option
is best?**

Pricing for Profitability

Typical Pricing (\$8.00 Average Ticket)

Pick-a-Tier IC Plus Residual Estimate

PROPOSED RATES AND MERCHANTS PROCESSING INFORMATION						
Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions
0.300%	\$0.10	\$10.000	\$30,000.00	3750		

Option A	<table><tr><td>Basis Points</td><td>Authorization Fee</td><td>Monthly Service Fees</td><td>Estimated Monthly Volume</td><td>Estimated Monthly CC Transactions</td><td>EBT Authorization Fee</td><td>Estimated EBT Transactions</td></tr><tr><td>0.300%</td><td>\$ 0.100</td><td>\$ 10.000</td><td>\$30,000.00</td><td>3750</td><td>\$0.000</td><td>0</td></tr></table>							Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	3750	\$0.000	0	Estimated Monthly Residual \$209.38														
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions																													
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	3750	\$0.000	0																													
Option B	<table><tr><td>Basis Points</td><td>Authorization Fee</td><td>Monthly Service Fees</td><td>Estimated Monthly Volume</td><td>Estimated Monthly CC Transactions</td><td>EBT Authorization Fee</td><td>Estimated EBT Transactions</td></tr><tr><td>0.300%</td><td>\$ 0.100</td><td>\$ 10.000</td><td>\$30,000.00</td><td>3750</td><td>\$0.000</td><td>0</td></tr></table>							Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	3750	\$0.000	0	Estimated Monthly Residual \$182.65														
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions																													
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	3750	\$0.000	0																													
Option D	<table><tr><td>Basis Points</td><td>Authorization Fee</td><td>Monthly Service Fees</td><td>Estimated Monthly Volume</td><td>Estimated Monthly CC Transactions</td><td>EBT Authorization Fee</td><td>Estimated EBT Transactions</td></tr><tr><td>0.300%</td><td>\$ 0.100</td><td>\$ 10.000</td><td>\$30,000.00</td><td>3750</td><td>\$0.000</td><td>0</td></tr></table>							Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	3750	\$0.000	0	Estimated Monthly Residual \$237.45														
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions																													
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	3750	\$0.000	0																													
Option E	<table><tr><td>Basis Points</td><td>Authorization Fee</td><td>Monthly Service Fees</td><td>Estimated Monthly Volume</td><td>Estimated Monthly CC Transactions</td><td>EBT Authorization Fee</td><td>Estimated EBT Transactions</td></tr><tr><td>0.300%</td><td>\$ 0.100</td><td>\$ 10.000</td><td>\$30,000.00</td><td>3750</td><td>\$0.000</td><td>0</td></tr><tr><td>0.020%</td><td>\$ 0.040</td><td>\$ 9.950</td><td></td><td></td><td>0.055</td><td></td></tr><tr><td>0.280%</td><td>\$ 0.060</td><td>\$ 0.050</td><td>\$84,000</td><td>\$ 225.00</td><td>-\$0.055</td><td>\$ -</td></tr></table>							Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	3750	\$0.000	0	0.020%	\$ 0.040	\$ 9.950			0.055		0.280%	\$ 0.060	\$ 0.050	\$84,000	\$ 225.00	-\$0.055	\$ -	Estimated Monthly Residual \$247.24
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions																													
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	3750	\$0.000	0																													
	0.020%	\$ 0.040	\$ 9.950			0.055																														
0.280%	\$ 0.060	\$ 0.050	\$84,000	\$ 225.00	-\$0.055	\$ -																														

Pricing for Profitability

Minimal Pricing (\$8.00 Average ticket)

Pick-a-Tier IC Plus Residual Estimate

PROPOSED RATES AND MERCHANTS PROCESSING INFORMATION						
Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions
0.050%	\$0.05	\$10.000	\$30,000.00	3750		

Option A								Estimated Monthly Residual \$78.13
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	3750	\$0.000	0	
Option B								Estimated Monthly Residual \$51.40
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	3750	\$0.000	0	
Option D								Estimated Monthly Residual \$66.82
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	3750	\$0.000	0	
Option E								Estimated Monthly Residual \$37.24
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	3750	\$0.000	0	
	0.020%	\$ 0.040	\$ 9.950			0.055		
	0.030%	\$ 0.010	\$ 0.050	\$9,000	\$ 37.50	-\$0.055	\$ -	

Pricing for Profitability

Typical Pricing (\$40.00 Average Ticket)

Pick-a-Tier IC Plus Residual Estimate

PROPOSED RATES AND MERCHANTS PROCESSING INFORMATION						
Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions
0.300%	\$0.10	\$10.000	\$30,000.00	750		

Option A								Estimated Monthly Residual \$81.88
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	750	\$0.000	0	
Option B								Estimated Monthly Residual \$70.15
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	750	\$0.000	0	
Option D								Estimated Monthly Residual \$91.20
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	750	\$0.000	0	
Option E								Estimated Monthly Residual \$103.24
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	750	\$0.000	0	
	0.020%	\$ 0.040	\$ 9.950			0.055		
	0.280%	\$ 0.060	\$ 0.050	\$84,000	\$ 45.00	-\$0.055	\$ -	

Pricing for Profitability

Minimal Pricing (\$40.00 Average ticket)

Pick-a-Tier IC Plus Residual Estimate

PROPOSED RATES AND MERCHANTS PROCESSING INFORMATION						
Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions
0.050%	\$0.05	\$10.000	\$30,000.00	750		

Option A								Estimated Monthly Residual \$25.63
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	750	\$0.000	0	
Option B								Estimated Monthly Residual \$13.90
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	750	\$0.000	0	
Option D								Estimated Monthly Residual \$18.07
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	750	\$0.000	0	
Option E								Estimated Monthly Residual \$13.24
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	750	\$0.000	0	
	0.020%	\$ 0.040	\$ 9.950			0.055		
	0.030%	\$ 0.010	\$ 0.050	\$9,000	\$ 7.50	-\$0.055	\$ -	

Pricing for Profitability

Typical Pricing (\$500.00 Average Ticket)

Pick-a-Tier IC Plus Residual Estimate

PROPOSED RATES AND MERCHANTS PROCESSING INFORMATION						
Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions
0.300%	\$0.10	\$10.000	\$30,000.00	60		

Option A								Estimated Monthly Residual \$52.55
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	60	\$0.000	0	
Option B								Estimated Monthly Residual \$44.28
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	60	\$0.000	0	
Option D								Estimated Monthly Residual \$57.56
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	60	\$0.000	0	
Option E								Estimated Monthly Residual \$70.12
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.300%	\$ 0.100	\$ 10.000	\$30,000.00	60	\$0.000	0	
	0.020%	\$ 0.040	\$ 9.950			0.055		
	0.280%	\$ 0.060	\$ 0.050	\$84,000	\$ 3.60	-\$0.055	\$ -	

Pricing for Profitability

Minimal Pricing (\$500.00 Average ticket)

Pick-a-Tier IC Plus Residual Estimate

PROPOSED RATES AND MERCHANTS PROCESSING INFORMATION						
Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions
0.050%	\$0.05	\$10.000	\$30,000.00	60		

Option A								Estimated Monthly Residual \$13.55
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	60	\$0.000	0	
Option B								Estimated Monthly Residual \$5.28
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	60	\$0.000	0	
Option D								Estimated Monthly Residual \$6.86
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	60	\$0.000	0	
Option E								Estimated Monthly Residual \$7.72
	Basis Points	Authorization Fee	Monthly Service Fees	Estimated Monthly Volume	Estimated Monthly CC Transactions	EBT Authorization Fee	Estimated EBT Transactions	
	0.050%	\$ 0.050	\$ 10.000	\$30,000.00	60	\$0.000	0	
	0.020%	\$ 0.040	\$ 9.950			0.055		
	0.030%	\$ 0.010	\$ 0.050	\$9,000	\$ 0.60	-\$0.055	\$ -	

Pricing for Profitability

Interchange: Key Notes

Low-Ticket Accounts:

- Price Authorization Fee High
- Basis Points will not bring in as much profit

Make Sure to
Always
Pass on
Hardcoded Fees

High-Ticket Accounts:

- Price Basis Points High
- Authorization Fees will not bring in as much profit

Pricing for Profitability

Dual Pricing

Must Consider These Factors:

Average Ticket

Monthly Volume

Transaction Count

Cards Accepted

Card Interchange

Card Brand Fees

Schedule A Costs

Is Dual Pricing a good fit?

What Percent to Stay Above ?

Pricing for Profitability

Dual Pricing

SUMMARY		An overview of account activity for the statement period.	
Page 7	Amounts Submitted		\$56,788.14
Page 7	Third Party Transactions		0.00
Page 7	Adjustments/Chargebacks		-\$5.82
Page 7	Fees Charged		-\$2,284.63
	Month End Charge	-\$109.50	
	Less Discount Paid	-\$2,175.13	
Total Amount Funded to Your Bank			\$54,197.69

See page 2 for Key Definition of Terms

FEES CHARGED					
Date	Type	Description	Volume	Rate	Total
01/31/22	CF	MASTERCARD DISC 6			0.00
01/31/22	CF	QUAL DISC AMEXCT043	20834.83	0.03830	-797.90
01/31/22	CF	DISC 6			0.00
01/31/22	CF	QUAL DISC	1971.14	0.03830	-75.56
01/31/22	CF	VISA DISC 6			0.00
01/31/22	CF	QUAL DISC	32801.07	0.03830	-1256.36
01/31/22	CF	DCVR ACQ DISC 6			0.00
01/31/22	CF	QUAL DISC	1181.10	0.03830	-45.31
01/31/22	MISC	CHARGEBACKS	1	12.500	-12.50
01/31/22	MISC	XT SUPPORT FEE			-87.00
01/31/22	MISC	PCI MGMT FEE			-5.00
01/31/22	MISC	MONTHLY MASTERCARD FEE			-5.00
Total (Miscellaneous Fees and Card Fees)					-\$2,284.63

SUMMARY BY CARD TYPE		(Total Sales You Submitted - Refunds = Total Amount You Submitted)				
Card Type	Average Ticket	Total Gross Sales You Submitted		Refunds		Total Amount You Submitted
		Items	Amount	Items	Amount	Amount
MASTERCARD	\$6.69	3,112	\$20,834.83	0	0.00	\$20,834.83
AMEXCT043	\$8.18	241	\$1,971.14	0	0.00	\$1,971.14
VISA	\$6.73	4,871	\$32,801.07	0	0.00	\$32,801.07
DISCOVER ACQ	\$6.99	169	\$1,181.10	0	0.00	\$1,181.10
Total		8,393	\$56,788.14	0	0.00	\$56,788.14

Pricing for Profitability

Dual Pricing

Total Residual
Payout

\$-94.04

Residual Home

OFFICE CODE
SUMMARY

VOLUME OVERVIEW

MTD INTERCHANGE

YTD INTERCHANGE

INCOME

EXPENSES

CALCULATIONS

Old Merchant
Statement

New Merchant
Statement

\$2,402.18

Card Type	Interchange Description	Rate %	Rate P/I	Count	Volume	Interchange Expense (REFUND Interchange Income)
MASTERCARD	CONV PRCH TRAN (C)	0.0190	0.00	65	\$417.70	\$8.02
MASTERCARD	CORP PRD RATE 1 (C)	0.0270	0.10	3	\$40.76	\$1.39
MASTERCARD	FLEET RATE 1 (C)	0.0270	0.10	4	\$63.86	\$2.12
MASTERCARD	WC CONV PURCH (C)	0.0200	0.00	74	\$492.83	\$9.77
MASTERCARD	WCELITE MERIT3 (C)	0.0220	0.10	1	\$10.92	\$0.34
MASTERCARD	WCELITE CONVPUR (C)	0.0200	0.00	289	\$2181.71	\$43.52
VISA	US BUS TR4 TRVL (C)	0.0265	0.10	1	\$15.60	\$0.51
VISA	REST SI CP P2 (C)	0.0260	0.00	778	\$5134.05	\$133.49
VISA	CPS SMALLTKT DB (D)	0.0155	0.04	872	\$5034.53	\$112.92
VISA	CPS RESTRNT DB (D)	0.0119	0.10	44	\$1070.40	\$17.14
VISA	CPS SMALLTKT PP (D)	0.0160	0.05	152	\$898.55	\$21.98
VISA	CPS SMALLTKT RG (D)	0.0005	0.22	2515	\$14641.34	\$560.62
AMEX OPT BLUE	RESTAURANT0 (C)	0.0160	0.04	100	\$811.03	\$16.97
AMEX OPT BLUE	RESTAURANTM (C)	0.0200	0.02	108	\$357.45	\$9.31
DISCOVER ACQUIRING	PSL EXPRSS RW (C)	0.0195	0.00	59	\$478.35	\$9.25
DISCOVER ACQUIRING	PSL REST RW (C)	0.0195	0.10	8	\$163.95	\$4.00
DISCOVER ACQUIRING	CMMRCL ELEC (C)	0.0230	0.10	34	\$215.91	\$8.36

Total Interchange Expense: \$1567.80 *

Pricing for Profitability

Dual Pricing

Total Residual
Payout

\$-94.04

Residual Home

OFFICE CODE
SUMMARY

VOLUME OVERVIEW

MTD INTERCHANGE

YTD INTERCHANGE

INCOME

EXPENSES

CALCULATIONS

Old Merchant
Statement

New Merchant
Statement

Card Type	Authorization Type	# Of Items	ISO Cost Per Item	Total Auth Expense
MASTERCARD	Auth Charge (IP)	3325	\$0.0400	\$133.0000
VISA	Auth Charge (IP)	1099	\$0.0400	\$43.9600
VISA	Auth Charge (IP)	3938	\$0.0400	\$157.5200
AMEX OPT BLUE	Auth Charge (IP)	247	\$0.0400	\$9.8800
DISCOVER ACQUIRING	Auth Charge (IP)	176	\$0.0400	\$7.0400
Total Authorization Expenses: \$351.40				
Description		# Of Items	Description	Total Expense
BIN Fees		1	PICK A TIER BIN Fees 202201	\$11.36
Description		# Of Items	Description	Total Expense
AFA Processor Fee		1	AMEX Full Acquiring Processor Fee - AFA Volume: 1971.14	\$5.91
Description		# Of Items	Description	Total Expense
AFA Network Fee		1	AMEX Full Acquiring Network Fee - AFA Volume: 1971.14	\$3.15
Description		# Of Items	Description	Total Expense
ISO/MLS/EPI Shared PCI Compliance Charges		1		\$4.95
Description		# Of Items	ISO Cost Per Item	Total Expense
MONTHLY SERVICE CHRG		1	\$5.00	\$5.00
CHARGEBACKS Expense		1	\$12.50	\$12.50
DUES & ASSESSMENTS Expense		1	\$28.61	\$28.61
Total Miscellaneous Expenses: \$46.11				

Pricing for Profitability

Dual Pricing

Total Residual Payout

\$-94.04

- Residual Home
- OFFICE CODE SUMMARY
- VOLUME OVERVIEW
- MTD INTERCHANGE
- YTD INTERCHANGE
- INCOME
- EXPENSES**
- CALCULATIONS
- Old Merchant Statement
- New Merchant Statement

Expense Description	# Of Items	Volume (if applicable)	Cost Per Item	Total Expense
NABU FEES Expense	3237	N/A	\$0.0195	\$63.1215
ACQ ISA FEE Expense	1	\$16.64	0.0102%	\$0.17
VISA ACQR PROCESSOR FEES Expense	1099	N/A	\$0.0195	\$21.4305
VISA INTERNTL ACQUIRER FEE Expense	N/A	\$16.64	0.0042%	\$0.07
DISCOVER USAGE FEES Expense	169	N/A	\$0.0025	\$0.4225
VISA NETWORK PART CNP FEE Expense	N/A	N/A	N/A	\$22.50
VISA DEBIT APF FEE Expense	3938	N/A	\$0.0155	\$61.04
VISA/MC PROCESS FEE Expense				\$37.52
VISA/MC PIN/CA FEE Expense				\$52.69
Total Visa/MC/Disc Association Fee Expense: \$258.96				
Fee ID	Card Type	Statement Description	# Of Items	Total Expense
AMXRCLAB	AMEX OPT PLUS	DECL ASS ADJUSTMENT	0	\$0.03
DSCAUTH	DISCOVER ACQUIRING	DISC NLTV. ORK AUTH TEL	176	\$3.34
MSTKBAUS	MASTERCARD	KILOBYTE AUTH FEE US	2009	\$4.61
MSTKIOB	MASTERCARD	KILOBYTE CLEARING FEE US	2065	\$4.74
MSTLCTNF	MASTERCARD	LOCATION FEE	0	\$0.62
VSADACRD	VISA	CR DUES AND ASSESS	0	\$10.22
VSADADBT	VISA	DB DUES AND ASSESS	0	\$33.15
VSAFLTMF	VISA	FILE TRANSMISSION FEE	4872	\$8.77
VSAIAPFC	VISA	INTRNTL ACQ PROC FEE CR	4	\$0.08
Total Fee Factory Expenses: \$65.53				

Negative \$94.04 ?!?

Is that math correct?

Pricing for Profitability

FEES CHARGED					
Date	Type	Description	Volume	Rate	Total
		MASTERCARD			
01/31/22	CF	DISC 6			0.00
01/31/22	CF	QUAL DISC	20834.83	0.03830	-797.90
		AMEXCT043			
01/31/22	CF	DISC 6			0.00
01/31/22	CF	QUAL DISC	1971.14	0.03830	-75.56
		VISA			
01/31/22	CF	DISC 6			0.00
01/31/22	CF	QUAL DISC	32801.07	0.03830	-1256.36
		DCVR ACQ			
01/31/22	CF	DISC 6			0.00
01/31/22	CF	QUAL DISC	1181.10	0.03830	-45.31
		Total Card Fees			-2175.13
01/31/22	MISC	CHARGEBACKS	1	12.500	-12.50
01/31/22	MISC	XT SUPPORT FEE			-87.00
01/31/22	MISC	PCI MGMT FEE			-5.00
01/31/22	MISC	MONTHLY SERVICE CHRG			-5.00
		Total Miscellaneous Fees			-109.50
Total (Miscellaneous Fees and Card Fees)					-\$2,284.63

Merchant billed \$2,284.63 in total. Of that, \$2,175.13 was in credit card fees.

ISO/Agent billed \$2,402.18 in total.
 However, hard coded fees are passed to the merchant. We need to adjust:

$$\$2,402.18 - (\$87.00 - \$12.50 - \$5.00 - \$5.00) =$$

$$\$2,292.68$$

\$2,402.18						
Card Type	Interchange Description	Rate %	Rate P/I	Count	Volume	Interchange Expense (REFUND Interchange Income)
MASTERCARD	CONV PRCH TRAN (C)	0.0190	0.00	65	\$417.70	\$8.02
MASTERCARD	CORP PRD RATE 1 (C)	0.0270	0.10	3	\$40.76	\$1.39
MASTERCARD	FLEET RATE 1 (C)	0.0270	0.10	4	\$63.86	\$2.12
MASTERCARD	WC CONV PURCH (C)	0.0200	0.00	74	\$492.83	\$9.77
MASTERCARD	WC ELITE MERIT3 (C)	0.0220	0.10	1	\$10.92	\$0.34
MASTERCARD	WC ELITE CONVPUR (C)	0.0200	0.00	289	\$2181.71	\$43.52
VISA	US BUS TR4 TRVL (C)	0.0265	0.10	1	\$15.60	\$0.51
VISA	REST SI CP P2 (C)	0.0260	0.00	778	\$5134.05	\$133.49
VISA	CPS SMALLTKT DB (D)	0.0155	0.04	872	\$5034.53	\$112.92
VISA	CPS RESTRNT DB (D)	0.0119	0.10	44	\$1070.40	\$17.14
VISA	CPS SMALLTKT PP (D)	0.0160	0.05	152	\$898.55	\$21.98
VISA	CPS SMALLTKT RG (D)	0.0005	0.22	2515	\$14641.34	\$560.62
AMEX OPT BLUE	RESTAURANT0 (C)	0.0160	0.04	100	\$811.03	\$16.97
AMEX OPT BLUE	RESTAURANTM (C)	0.0200	0.02	108	\$357.45	\$9.31
DISCOVER ACQUIRING	PSL EXPRSS RW (C)	0.0195	0.00	59	\$478.35	\$9.25
DISCOVER ACQUIRING	PSL REST RW (C)	0.0195	0.10	8	\$163.95	\$4.00
DISCOVER ACQUIRING	CMMRCL ELEC (C)	0.0230	0.10	34	\$215.91	\$8.36
						Total Interchange Expense: \$1567.80 *

Pricing for Profitability

Dual Pricing

Merchant Effective Rate:

$$\text{\$2,175.13} / \text{\$56,788.14} = 3.83025\%$$

ISO/Agent Effective Rate:

$$\text{\$2,292.68} / \text{\$56,788.14} = 4.03725\%$$

$$3.83025\% - 4.03725\% = -0.207\% \text{ (almost 21 BPs in loss)}$$

$$-0.207\% \times \text{\$56,788.14} = -\text{\$117.55}$$

$$-\text{\$117.55} \times 80\% \text{split} = -\text{\$94.04}$$

Pricing for Profitability

Dual Pricing

I still don't understand...
The merchant is on 3.99% Dual
Pricing, with a decent volume...
How did we end up losing on this
account?

Pricing for Profitability

Card Brand	Card Detail	IC %	DPI	Transactions	Volume	Total Cost on IC%	Total Cost on DPI	Total in IC Fees	Effective Rate on Card Type
MASTERCARD	MERIT 3 DEBIT (D)	1.0500%	\$0.1500	1	\$37.44	\$0.39	\$0.15	\$0.54	1.45%
MASTERCARD	SMALL TKT DEBIT (D)	1.5500%	\$0.0400	1014	\$5,751.35	\$89.15	\$40.56	\$129.71	2.26%
MASTERCARD	RESTAURANTDEBIT (D)	1.1900%	\$0.1000	58	\$1,128.30	\$13.43	\$5.80	\$19.23	1.70%
MASTERCARD	REGULATEDDBTCN (D)	0.0500%	\$0.2100	9	\$30.89	\$0.02	\$1.89	\$1.91	6.17%
MASTERCARD	REGULATEDFDBTCN (D)	0.0500%	\$0.2200	1162	\$7,677.15	\$3.84	\$255.64	\$259.48	3.38%
VISA	CPS SMALLTKT DB (D)	1.5500%	\$0.0400	872	\$5,034.53	\$78.04	\$34.88	\$112.92	2.24%
VISA	CPS RESTRNT DB (D)	1.1900%	\$0.1000	44	\$1,070.40	\$12.74	\$4.40	\$17.14	1.60%
VISA	CPS SMALLTKT PP (D)	1.6000%	\$0.0500	152	\$898.55	\$14.38	\$7.60	\$21.98	2.45%
VISA	CPS SMALLTKT RG (D)	0.0500%	\$0.2200	2515	\$14,641.34	\$7.32	\$553.30	\$560.62	3.83%
VISA	CPS RESTRNT PP (D)	1.1500%	\$0.1500	13	\$272.64	\$3.14	\$1.95	\$5.09	1.87%
VISA	REG CPS REST (D)	0.0500%	\$0.2200	158	\$3,219.76	\$1.61	\$34.76	\$36.37	1.13%
VISA	US BUS CP DB (D)	1.7000%	\$0.1000	19	\$124.38	\$2.11	\$1.90	\$4.01	3.23%
VISA	REG BUS CP DB (D)	0.0500%	\$0.2200	25	\$190.49	\$0.10	\$5.50	\$5.60	2.94%
VISA	BUS PUR RTL PP (D)	2.1500%	\$0.1000	6	\$50.07	\$1.08	\$0.60	\$1.68	3.35%
DISCOVER ACQUIRING	PSL EXPRSS DB (D)	1.8000%	\$0.0000	8	\$68.59	\$1.23	\$0.00	\$1.23	1.80%
DISCOVER ACQUIRING	PSL REST DB (D)	1.1000%	\$0.1600	2	\$36.40	\$0.40	\$0.32	\$0.72	1.98%
DISCOVER ACQUIRING	MICROTKTDBT (D)	1.8000%	\$0.0000	6	\$13.21	\$0.24	\$0.00	\$0.24	1.80%
ALL	AUTHORIZATION FEES		\$0.0400	6064		\$0.00	\$242.56	\$242.56	
ALL	BIN FEE	0.0200%			\$40,245.49	\$8.05	\$0.00	\$8.05	0.02%
DISCOVER	DUES & ASSESSMENTS	0.1300%			\$118.20	\$0.15	\$0.00	\$0.15	0.13%
DISCOVER	DATA USAGE FEE		\$0.0025	16		\$0.00	\$0.04	\$0.04	
MASTERCARD	DUES & ASSESSMENTS	0.1375%			\$14,625.13	\$20.11	\$0.00	\$20.11	0.14%
MASTERCARD	NABU		\$0.0195	2244		\$0.00	\$43.76	\$43.76	
MASTERCARD	LOCATION FEE		\$1.2500	1		\$0.00	\$1.25	\$1.25	
VISA	DUES & ASSESSMENTS	0.1300%			\$25,502.16	\$33.15	\$0.00	\$33.15	0.13%
VISA	APF		\$0.0155	3804		\$0.00	\$58.96	\$58.96	
VISA	FANF		\$2.0000	1		\$0.00	\$2.00	\$2.00	
TOTALS				6064	\$40,245.49	\$290.66	\$1,297.82	\$1,588.48	3.95%

Pricing for Profitability

Dual Pricing:

Key Notes

What to look out for:

- Average Ticket below \$10.00
- Merchants that take Debit Cards as a majority of their card spread
- Merchants that take Business Cards as a majority of their card spread
- When in Doubt - Start the merchant on Interchange, review their first 2-3 months, and what your effective rates of those months were.

Insight into Residuals

Review Guide

- Review the merchant's statements
 - Make sure that the merchant is priced correctly per your application.
 - If the merchant is on Interchange, that all the pass-through fees are being billed to the merchant.
- Review the fees being charged to you for merchant's account
 - Be sure that the fees in the Expenses Screen is properly setup per your Schedule A Option.
 - If there were any adjustments to your main office or refunds made on your merchant's account.

Insight into Residuals

Review Statements



ELECTRONIC PAYMENTS INC.
1161 SCOTT AVE CALVERTON NY 11933

YOUR CARD PROCESSING STATEMENT

Page 1 of 8 **THIS IS NOT A BILL**

Statement Period 05/01/23 - 05/31/23

Merchant Number

Customer Service 1-800-966-5520 X4

SUMMARY An overview of account activity for the statement period.

Page 7	Amounts Submitted	\$83,324.59
Page 7	Third Party Transactions	0.00
Page 7	Adjustments/Chargebacks	0.00
Page 7	Fees Charged	-\$3,330.04
	Month End Charge	-\$97.00
	Less Discount Paid	-\$3,233.04

Total Amount Funded to Your Bank **\$79,994.55**

See page 2 for Key Definition of Terms

FEES CHARGED

Date	Type	Description	Volume	Rate	Total
		MASTERCARD			
05/31/23	CF	DISC 6			0.00
05/31/23	CF	QUAL DISC	31109.75	0.03880	-1207.03
		AMEXCT043			
05/31/23	CF	DISC 6			0.00
05/31/23	CF	QUAL DISC	4696.56	0.03880	-182.25
		VISA			
05/31/23	CF	DISC 6			0.00
05/31/23	CF	QUAL DISC	45307.59	0.03880	-1758.00
		DCVR ACQ			
05/31/23	CF	DISC 6			0.00
05/31/23	CF	QUAL DISC	2210.69	0.03880	-85.76
		Total Card Fees			-3233.04
05/31/23	MISC	XT SUPPORT FEE			-87.00
05/31/23	MISC	PCI MGMT FEE			-5.00
05/31/23	MISC	MONTHLY SERVICE CHRG			-5.00
		Total Miscellaneous Fees			-97.00
Total (Miscellaneous Fees and Card Fees)					-\$3,330.04

Insight into Residuals

Review Statements



ELECTRONIC PAYMENTS INC
1161 SCOTT AVE CALVERTON NY 11933

YOUR CARD PROCESSING STATEMENT

Page 1 of 9 **THIS IS NOT A BILL**

Statement Period 08/01/23 - 08/31/23

Merchant Number

Customer Service 1-800-966-5520 X4

SUMMARY An overview of account activity for the statement period.

Page 6 **Amounts Submitted** \$54,838.04

Page 6 **Third Party Transactions** 0.00

Page 6 **Adjustments/Chargebacks** 0.00

Page 6 **Fees Charged** -\$1,263.44

Total Amount Funded to Your Bank **\$53,574.60**

See page 2 for Key Definition of Terms

FEES CHARGED

Date	Type	Description	Volume	Rate	Total
MASTERCARD					
08/31/23	CF	DISC 1	21967.38	0.00350	-76.89
08/31/23	CF	DUES & ASSESSMENTS			-19.82
08/31/23	CF	DUE/ASMT >= 1000			-9.40
AUTHS & AVS					
08/31/23	CF	CPU GTWY	59	0.2100	-12.39
08/31/23	CF	INTERCHANGE			-269.89
08/31/23	CF	LICENSE RATE	21967.38	0.0000061	-0.14
08/31/23	CF	NABU FEES	32	0.01950	-0.62
08/31/23	CF	ACQ SUPPORT FEE	526.16	0.00849	-4.47
08/31/23	CF	CROSS BORDER FEE	526.16	0.00600	-3.16
08/31/23	CF	KILOBYTE CLEARING FEE US	21	0.00229	-0.05
08/31/23	CF	LOCATION FEE			-1.25
AMEXCT043					
08/31/23	CF	DISC 1	4838.33	0.00350	-16.93
AUTHS & AVS					
08/31/23	CF	CPU GTWY	7	0.2100	-1.47
08/31/23	CF	PROGRAM FEES			-110.38
08/31/23	CF	AMEX ACQR TRANSACTION FEE	7	0.02000	-0.14
08/31/23	CF	NETWORK FEE	4838.33	0.00465	-22.50
VISA					
08/31/23	CF	DISC 1	20274.48	0.00350	-70.96
AUTHS & AVS					
08/31/23	CF	CPU GTWY	36	0.2100	-7.56
08/31/23	CF	INTERCHANGE			-459.76
Total Card Fees					
08/31/23	MISC	MONTHLY SERVICE CHRG			-10.00
08/31/23	MISC	NON RECEIPT PCI SAQ			-20.00
08/31/23	MISC	TRANSARMOR DATA PROT ONLY			-5.00
Total Miscellaneous Fees					
Total (Miscellaneous Fees and Card Fees)					
					-\$1,263.44

Insight into Residuals

Review Your Expenses

Total Shared Expenses For DBA NAME Merchant ID 5309xxxxxxxxxx						
\$324.99						
Card Type	Interchange Description	Rate %	Rate P/I	Count	Volume	Interchange Expense (REFUND Interchange Income)
MASTERCARD	MERIT 3 (C)	0.0165	0.10	1	\$162.45	\$2.78
MASTERCARD	WC MERIT III (C)	0.0190	0.10	1	\$156.00	\$3.06
MASTERCARD	WC ELITE MERIT3 (C)	0.0230	0.10	3	\$536.92	\$12.66
MASTERCARD	EN MERIT 3 STD (C)	0.0180	0.10	9	\$991.16	\$18.74
MASTERCARD	REGULATEDFDBTCM (C)	0.0005	0.22	1	\$51.80	\$0.25
MASTERCARD	CP RATE 1 BUS (C)	0.0265	0.10	3	\$384.45	\$10.48
MASTERCARD	MERIT 1 DEBIT (D)	0.0165	0.15	1	\$13.44	\$0.37
MASTERCARD	MERIT 3 DEBIT (D)	0.0105	0.15	23	\$2956.99	\$34.50
MASTERCARD	REGULATEDFDBTCN (D)	0.0005	0.22	17	\$1830.56	\$4.68
MASTERCARD	MERIT 3 PREPAID (D)	0.0115	0.15	2	\$156.00	\$2.09
VISA	DOMESTIC STD NQ (C)	0.0315	0.10	1	\$184.86	\$5.92
VISA	SMLMCH VTPD2 (C)	0.0129	0.10	2	\$226.87	\$3.13
VISA	SMLMCH VTRPD2 (C)	0.0143	0.10	4	\$607.83	\$9.09
VISA	SMLMCH VSVINPD2 (C)	0.0143	0.10	3	\$246.71	\$3.83
VISA	SMLMCHVSPVIQPD2 (C)	0.0188	0.10	13	\$1423.92	\$28.07
VISA	CPS RETL CHK DB (D)	0.0080	0.15	23	\$2400.17	\$22.65
VISA	CPS SMALLTKT DB (D)	0.0155	0.04	4	\$41.40	\$0.80
VISA	CPS SMALLTKT PP (D)	0.0160	0.05	7	\$72.45	\$1.51
VISA	CPS SMALLTKT RG (D)	0.0005	0.22	28	\$289.80	\$6.30
VISA	CPS RETAIL PP (D)	0.0115	0.15	9	\$879.30	\$11.46
VISA	REG CPS RTCHKCD (D)	0.0005	0.22	65	\$8074.45	\$18.34
VISA	REG BUS CP DB (D)	0.0005	0.22	1	\$145.65	\$0.29
AMEX OPT BLUE	RETAILTRANAMT1 (C)	0.0160	0.10	2	\$62.10	\$1.19
AMEX OPT BLUE	RETAILTRANAMT2 (C)	0.0195	0.10	8	\$1431.04	\$28.70
DISCOVER ACQUIRING	PSL RETAIL RW (C)	0.0172	0.10	4	\$665.76	\$11.86
DISCOVER ACQUIRING	PSL KEY RW (C)	0.0203	0.10	1	\$162.45	\$3.40
DISCOVER ACQUIRING	PSL RETAIL PRM (C)	0.0174	0.10	1	\$145.65	\$2.63
DISCOVER ACQUIRING	PSL RETAIL DB (D)	0.0110	0.16	2	\$178.40	\$2.28
						Total Interchange Expense: \$251.06 *

Insight into Residuals

Review Your Expenses

Card Type	Authorization Type	# Of Items	ISO Cost Per Item	Total Auth Expense
MASTERCARD	Auth Charge (IP)	90	\$0.0400	\$3.6000
VISA	Auth Charge (IP)	23	\$0.0400	\$0.9200
VISA	Auth Charge (IP)	146	\$0.0400	\$5.8400
AMEX OPT BLUE	Auth Charge (IP)	10	\$0.0400	\$0.4000
DISCOVER ACQUIRING	Auth Charge (IP)	8	\$0.0400	\$0.3200
				Total Authorization Expenses: \$11.08

Note: BIN Sponsorship Fees (where applicable) are charged on the Visa, MasterCard and Discover ACQ volume according to your Schedule A.

Description	# Of Items	Description	Total Expense
BIN Fees	1	PICK A TIER BIN Fees 202301	\$4.90
Description	# Of Items	Description	Total Expense
AFA Processor Fee	1	AMEX Full Acquiring Processor Fee - AFA Volume: 1493.14	\$4.48
Description	# Of Items	Description	Total Expense
AFA Network Fee	1	AMEX Full Acquiring Network Fee - AFA Volume: 1493.14	\$2.46

Insight into Residuals

Review Your Expenses

Important: Currently, there are several fees charged by Visa and MasterCard, including NABU, the Visa ISA fee, the Visa APF fee, and several charges for the acceptance of International Cards. It is important to understand that these are PASSTHROUGH fees to the merchant.

Expense Description	# Of Items	Volume (if applicable)	Cost Per Item	Total Expense
NABU FEES Expense	62	N/A	\$0.0195	\$1.2090
VISAACQR PROCESSOR FEES Expense	23	N/A	\$0.0195	\$0.4485
DISCOVER USAGE FEES Expense	8	N/A	\$0.0025	\$0.0200
VISA NETWORK PART CP FEE Expense	N/A	N/A	N/A	\$2.00
VISA TRANSACTION INTEGRITY FEE Expense	1	N/A	\$0.1000	\$0.10
VISA DEBIT APF FEE Expense	146	N/A	\$0.0155	\$2.26
VISA/MC PROCESS FEE Expense				\$1.04
VISA/MC BIN/ICA FEE Expense				\$1.46

Total Visa/MC/Disc Association Fee Expense: \$8.54

Expense Description	# Of Items	Volume (if applicable)	Pass-Through Cost	Total Expense
				Total Passthrough Expenses: \$

Description	# Of Items	ISO Cost Per Item	Total Expense
MONTHLY SERVICE CHRGR	1	\$5.00	\$5.00
MC and DISC DUES & ASSESSMENTS Expense	1	\$11.02	\$11.02

Total Miscellaneous Expenses: \$16.02

* This fee can be eliminated by having your merchant visit www.pcicompliance.info and completing the online SAQ.

Fee ID	Card Type	Statement Description	# Of Items	Total Expense
AMXACQTN	AMEX OPT BLUE	AMEX ACQR TRANSACTION FEE	10	\$0.20
AMXRCLAB	AMEX OPT BLUE	RECLASS ADJUSTMENT	0	\$0.21
DSCAUTH	DISCOVER ACQUIRING	DISC NETWORK AUTH FEE	8	\$0.15
DSCDGINV	DISCOVER ACQUIRING	DIGITAL INVESTMENT FEE	0	\$0.02
MSTKBAUS	MASTERCARD	KILOBYTE AUTH FEE US	23	\$0.05
MSTKILOB	MASTERCARD	KILOBYTE CLEARING FEE US	40	\$0.09
MSTLCTNF	MASTERCARD	LOCATION FEE	0	\$1.25
VSADACRD	VISA	CR DUES AND ASSESS	0	\$3.77
VSADADBT	VISA	DB DUES AND ASSESS	0	\$15.47
VSAFLTMF	VISA	FILE TRANSMISSION FEE	160	\$0.29

Total Fee Factory Expenses: \$21.50

Insight into Residuals

Review Your Expenses

Total Residual Payout on
56 accounts for AGENTID
\$9,876.54

- Office Code Summary
- List All Merchants In Office
- Top 10 Accounts By Revenue
- Lowest 10 Accounts By Revenue
- Invoices and Adjustments**
- sub-ISO Overrides Earned/Paid

Invoices and Adjustments

These are your invoices and adjustments.

MID Number	Inc/Exp Amount	Sales Rep ID	Description
5309611XXXXXX	-\$200.00000	AGENT ID	Activation Bonus Retraction < 12 Months - EXP-EPI-PORTFOLIOADJUST-MISC Amount:\$200.00000 Rate Each:\$200.00000 Items:1

Insight into Residuals

Review Guide

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 - Make sure that the merchant is priced correctly per your application.
 - If the merchant is on Interchange, that all the pass-through fees are being billed to the merchant.
- Review the fees being charged to you for merchant's account
 - Be sure that the fees in the Expenses Screen is properly setup per your Schedule A Option.
 - If there were any adjustments to your main office or refunds made on your merchant's account.

Questions?

Let us know!

ISOSupport@electronicpayments.com

1-800-966-5520 option 5

Calendly.com/epi-business-development

