

2006 Interchange Qualification Guide

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One Concourse Parkway | Suite 300 | Atlanta, GA 30328 | www.novainfo.com

SOURCE CODE: 03037

Qualification Category Definitions

a. Qualified Rate: Transactions that meet all of the requirements for the merchant’s industry. Merchants will pay the lowest or best discount rate for qualified transactions.

b. Rewards Qualified Rate: Qualified transactions where the cardholder pays with a “Rewards” type consumer card.

c. Partially Qualified Rate: Transactions that meet some, but not all of the specific requirements for the merchant’s industry. Merchants will pay a higher rate for partially qualified transactions.

d. Non-Qualified Rate: Transactions that do **not** meet other specific requirements for the merchant’s industry. Merchants will pay a higher rate for non-qualified transactions.

| QUALIFICATION CATEGORY | CATEGORY TRANSACTION CONDITIONS | PRIMARY QUALIFICATIONS |
|---------------------------------|---|--|
| Qualified Rate | <p>Visa: CPS Retail, Retail Check Card</p> <p>MasterCard: Merit III, Convenience Purchase, International Electronic, Service Industries</p> | <ul style="list-style-type: none"> • Card must be swiped through terminal • Must close your batch daily • Only one authorization is allowed • Authorized transaction amt must match settled (deposit) transaction amt |
| Rewards Qualified Rate | <p>Visa: CPS Rewards 1, CPS Rewards 2 T&E</p> <p>MasterCard: World MC Merit III, World MC Convenience Purchase</p> | <ul style="list-style-type: none"> • Same Criteria as Qualified; cardholder uses a Traditional Rewards Card or a World MasterCard |
| Partially Qualified Rate | <p>Visa: CPS Retail 2 (Developing Markets), CPS Card Not Present, CPS E-commerce Basic, CPS E-commerce Preferred, Retail Key Entered, GSA Large Ticket, Commercial Card Levels II & III, CPS Rewards 2</p> <p>MasterCard: Key Entered, Merit I, Electronic Commerce, Corporate Data Rates II & III, International Corporate Purchasing - Data Rate II, Corporate Large Ticket, Corporate Face to Face</p> | <ul style="list-style-type: none"> • Transaction is hand-keyed with Address Verification (AVS) • Batch was not closed daily, but within 48 hours • More than one authorization is attempted • Transaction is processed on a commercial card with sales tax and customer code included |
| Non-Qualified Rate | <p>Visa: EIRF, Standard, Commercial Electronic & Standard, Signature Electronic & Standard, Infinite Electronic & Standard, Express Payment Services</p> <p>MasterCard: Standard, International Standard, Corporate Data Rate I, Corporate T&E Rates I & II, Corporate Standard, International Corporate, International Corporate Purchasing, World MasterCard</p> | <p>The following list of items will cause your transactions to qualify at the non-qualified rate.</p> <ul style="list-style-type: none"> • Transaction is hand-keyed without AVS • Batch was not closed until 72 hours after authorization • Transactions approved via voice authorization and/or force • Commercial card used without sales tax and customer code being entered • Tax exempt Visa commercial card transactions |
| Commercial Cards | | <ul style="list-style-type: none"> • Sales tax and customer code (supplied by card holder) must be entered with transaction |
| Salon Merchants* | *MasterCard only | <ul style="list-style-type: none"> • Salon merchants can process tips for up to 25% if they are under sic code 7230 |

> RESTAURANT MERCHANTS

| QUALIFICATION CATEGORY | CATEGORY TRANSACTION CONDITIONS | PRIMARY QUALIFICATIONS |
|---|--|---|
| Qualified Rate | <p>Visa: CPS Restaurant, CPS Small Ticket</p> <p>MasterCard: Merit III, Convenience Purchase, International Electronic</p> | <ul style="list-style-type: none"> • Card must be swiped through terminal • Must close your batch daily • Only one authorization is allowed • Visa Credit allows tip adjustments of 20%, MasterCard does not have a % limit |
| T & E Rewards Qualified Rate | <p>Visa: CPS Rewards 1, CPS Rewards 2 T&E</p> <p>MasterCard: World MC Merit III, World MC Convenience Purchase</p> | <ul style="list-style-type: none"> • Same Criteria as Qualified; cardholder uses a Traditional Rewards Card or a World MasterCard |
| Partially Qualified Rate | <p>Visa: CPS Retail 2 (Developing Markets), CPS Card Not Present, CPS E-Commerce Basic, CPS E-Commerce Preferred, Retail Key Entered, CPS Rewards 2</p> <p>MasterCard: Key Entered, Merit I, Electronic Commerce, Corporate Data Rates II & III, International Corporate Purchasing - Data Rate II, Corporate Face to Face</p> | <ul style="list-style-type: none"> • Transaction is hand-keyed with Address Verification (AVS) • Batch was not closed daily, but within 48 hours • More than one authorization is attempted • Visa Credit tip adjustments greater than 20% are performed |
| Non-Qualified Rate | <p>Visa: EIRF, Standard, Commercial Electronic & Standard, Signature Electronic & Standard, Infinite Electronic & Standard, Express Payment Services</p> <p>MasterCard: Standard, International Standard, Corporate Data Rate I, Corporate T&E Rates I & II, Corporate Standard, International Corporate, International Corporate Purchasing, World MasterCard</p> | <p>The following list of items will cause your transactions to qualify at the non-qualified rate</p> <ul style="list-style-type: none"> • Transaction is hand-keyed without AVS • Batch was not closed until 72 hours after authorization • Transactions approved via voice authorization • Corporate/Purchasing Card transaction |
| Corporate/Purchasing Cards | | <p>Commercial cards will not qualify at restaurant locations due to requirements by Visa and MasterCard</p> |

> MAIL/TELEPHONE ORDER AND E-COMMERCE

| QUALIFICATION CATEGORY | CATEGORY TRANSACTION CONDITIONS | PRIMARY QUALIFICATIONS |
|---------------------------|--|---|
| Qualified Rate | <p>Visa: CPS Card Not Present, CPS E-Commerce Basic, CPS E-Commerce Preferred, Commercial Card Levels II & III, CPS Rewards 2</p> <p>MasterCard: Merit I, Electronic Commerce, Corporate Data Rates II & III, International Corporate Purchasing - Data Rate II, Corporate Large Ticket, Convenience Purchases, Service Industries</p> | <ul style="list-style-type: none"> • Must close your batch daily • Hand key transactions with Address Verification (AVS) • Provide invoice number with every transaction • Ship all merchandise within 7 days of purchase |
| Non-Qualified Rate | <p>Visa: EIRF, Standard, Commercial Electronic & Standard, Signature Electronic & Standard, Infinite Electronic & Standard</p> <p>MasterCard: Standard, International Standard, Corporate Data Rate I, Corporate T&E Rates I & II, Corporate Standard, International Corporate, International Corporate Purchasing, World MasterCard</p> | <p>The following list of items will cause your transactions to qualify at the non-qualified rate</p> <ul style="list-style-type: none"> • Transaction is hand-keyed without AVS • Batch not closed daily • Transactions approved via voice authorization • Commercial card used without sales tax and customer code being entered • Tax exempt Visa commercial card transactions |
| Commercial Cards | | <ul style="list-style-type: none"> • Sales tax and customer code (supplied by card holder) must be entered with transaction |

> LODGING MERCHANTS

| QUALIFICATION CATEGORY | CATEGORY TRANSACTION CONDITIONS | PRIMARY QUALIFICATIONS |
|---|--|---|
| Qualified Rate | <p>Visa: CPS Hotel & Car Rental, CPS Retail</p> <p>MasterCard: Merit III, International Electronic</p> | <ul style="list-style-type: none"> • Card must be swiped through terminal • Incremental Authorizations allowed • Settled amount must be within 15% of authorization amount • Transaction Date = Check-out Date • Check-in/out dates included • Folio Number • Settled within ONE day of check-out (transaction date) |
| T & E Rewards Qualified Rate | <p>Visa: CPS Rewards 1, CPS Rewards 2 T&E</p> <p>MasterCard: World MC Merit III, World MC Convenience Purchase</p> | <ul style="list-style-type: none"> • Same Criteria as Qualified; cardholder uses a Traditional Rewards Card or a World MasterCard |
| Partially Qualified Rate | <p>Visa: CPS Rewards 2</p> <p>MasterCard: Key Entered, Merit I, Electronic Commerce, Corporate Face to Face</p> | <ul style="list-style-type: none"> • Transaction is hand-keyed through the terminal • Transactions are settled 24-48 hours following Check-out (transaction) Date • Visa does not recognize this category |
| Non-Qualified Rate | <p>Visa: EIRE, Standard, Commercial Electronic & Standard, Signature Electronic & Standard, Infinite Electronic & Standard</p> <p>MasterCard: Standard, International Standard, Corporate T&E Rates I & II, World MasterCard</p> | <p>The following list of items will cause your transactions to qualify at the non-qualified rate.</p> <ul style="list-style-type: none"> • Check in/out dates are missing • Folio Number is missing • Settled amount is more than 15% of the authorization amount • Settled more than 48 hours following Check-out (transaction) Date • Corporate/Purchasing Card accepted • Transaction approved via voice authorization |
| Corporate/Purchasing Cards | | Commercial cards will not qualify at lodging establishments due to requirements by Visa and MasterCard |

> SUPERMARKET MERCHANTS

| QUALIFICATION CATEGORY | CATEGORY TRANSACTION CONDITIONS | PRIMARY QUALIFICATIONS |
|-----------------------------------|--|--|
| Supermarket Qualified Rate | <p>Visa: Supermarket</p> <p>MasterCard: Supermarket</p> | <ul style="list-style-type: none"> • Merchant is registered in the Visa/MasterCard Supermarket program • Card must be swiped through terminal • Must close your batch daily • Only one authorization is allowed |
| Qualified Rate | <p>Visa: CPS Retail, Retail Check Card</p> <p>MasterCard: Merit III, Convenience Purchase, International Electronic</p> | <ul style="list-style-type: none"> • Merchant is not registered in the Visa/MasterCard Supermarket program |
| Rewards Qualified Rate | <p>Visa: CPS Rewards 1, CPS Rewards 2 T&E</p> <p>MasterCard: World MC Supermarket</p> | <ul style="list-style-type: none"> • Same Criteria as Qualified; cardholder uses a Traditional Rewards Card or a World MasterCard |
| Partially Qualified Rate | <p>Visa: CPS Retail 2 (Developing Markets), CPS Card Not Present, CPS E-commerce Basic, CPS E-commerce Preferred, GSA Large Ticket, Commercial Card Levels II & III</p> <p>MasterCard: Key Entered, Merit I, Electronic Commerce, Corporate Data Rates II & III, International Corporate Purchasing - Data Rate II, Corporate Large Ticket, Corporate Face to Face</p> | <ul style="list-style-type: none"> • Transaction is hand-keyed with Address Verification (AVS) • Batch was not closed daily, but within 48 hours • More than one authorization is attempted • Transaction is processed on a commercial card with sales tax and customer code included |
| Non-Qualified Rate | <p>Visa: EIRE, Standard, Commercial Electronic & Standard, Signature Electronic & Standard, Infinite Electronic & Standard</p> <p>MasterCard: Standard, International Standard, Corporate Data Rate I, Corporate T&E Rates I & II, Corporate Standard, International Corporate, International Corporate Purchasing, World MasterCard</p> | <p>The following list of items will cause your transactions to qualify at the non-qualified rate.</p> <ul style="list-style-type: none"> • Transaction is hand-keyed without AVS • Batch was not closed until 72 hours after authorization • Transactions approved via voice authorization • Commercial card without sales tax and customer code • Tax exempt Visa commercial card transactions |
| Commercial Cards | | <ul style="list-style-type: none"> • Sales tax and customer code (supplied by card holder) must be entered with transaction |