



The TransFirst Messenger

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SPS Check Services

Did you know you could help your bank earn extra income simply by offering SPS Check Services? TransFirst and Secure Payment Systems, Inc. have partnered to bring you this exciting value added service for your merchants. Secure Payment Systems, Inc. (SPS) is a nationally endorsed check service provider that offers programs for check authorization, warranty, electronic check conversion and collection support. SPS specializes in fulfilling the needs of a wide variety of small and mid-size retailers.

What is check warranty? (AKA Check Guarantee)

SPS's check warranty service is a guarantee of funds for bad checks. If an authorized check does not clear, SPS pays your merchant the full amount of the check, up to the warranty limit. **At \$36,000 this amount is the highest of all check service providers!** SPS is then responsible for collecting from the check writer.

What is check authorization? (AKA Check Verification)

SPS's check authorization is a service that will compare the customer's check against two databases for any listing of bad checks. If a customer has outstanding bad checks, your merchant will receive a decline message. This service verifies that the customer has no bad checks on the databases but it does not guarantee payment and, therefore, does not offer the same protection as check warranty. However, SPS also offers complimentary collections on non-guaranteed items, provided the item(s) are not older than 30 days when received by SPS. If the check is not collected within 30 days, SPS will contact the merchant to see if they wish to pursue the collection process. If the merchant decides to do so, a percentage fee will be agreed upon at that time.

What is Electronic Check Conversion? (AKA ECC)

ECC converts a traditional paper check into an electronic check at the point of sale. The check is then converted to an ACH transaction. The consumer is asked to sign a receipt authorizing the ACH and then the check is given back to the customer. This process reduces the amount of checks that need to be manually deposited into a merchants account. ECC is available in both services, Verification and Guarantee as described above.

Required Equipment

Check Warranty/Authorization:

- Terminal - Track 2 Tranz 330, Tranz 460, Tranz 380, Omni 3200, Hypercom T7 Series, Thales Talento
- Check Reader Verifone (optional) – Magtek Mini MICR, Checkmate, IVI (TransFirst sells only the MagTek Mini MICR)
- Check Reader Hypercom (optional) – Magtek Mini MICR

Note: If the merchant does not purchase a check reader, they will be required to hand enter the information into their credit card machine. If the merchant wants to swipe driver's licenses instead of hand keying this information into the credit card terminal, they must have a track 2-card reader on their credit card terminal.

Electronic Check Conversion:

- Tranz 330 or Tranz 380 (stand alone terminals)
- Tranz 380 x 2 (if the merchant has or purchases the Tranz 380x2 then the credit card can go on one side and the ECC can go on the other side).
- Printer 250, Printer 900, Scribe 612
- Magtek Check Reader (verification)
- RDM Imager (verification or guarantee)
- RDM Imager Cable

Your merchants will be invoiced directly from SPS the first of each month for their check services. If you wish to offer SPS check services to your merchants, contact your Account Manger for more detailed information regarding the set up process.



REMEMBER!!!

When faxing an item to TransFirst, PLEASE include a fax cover sheet complete with bank name, bank contact, contact phone number and the name of the TransFirst employee you're faxing to.

FYI's & Reminders

- **Keep current on credit card processing equipment, and topics like card truncation.** Sales forces are going through several areas telling merchants they have outdated equipment and that card truncation is required now. We have received information that merchants in Texas have been approached on this topic from a firm out of the Plano Texas area. Check on your state's requirements. See Truncation update in this issue.
- **Confused on how to handle merchant equipment and software questions?** Order a TransFirst Product Manual from your Account Manager. Also available is a Product Questionnaire that can help you with terminals and software products.
- **SPS Check Conversion:** If a merchant is on Check Conversion with Verification, and they have an RDM Imager, they can get images of the checks by calling SPS.
- **Merchant Services Training:** If you have had some of your key credit card personnel change departments, you can train new personnel more easily if you have a Launch Your Merchant Program folder from TransFirst. Contact your Account Manager to have one mailed to you at no charge.

Tips for AMEX ESA & Discover RAP

American Express ESA

- The standard turnaround time to process an Amex App completely is 72 hours from the time it is received in the coding department. Please keep in mind that any errors on the form can significantly increase the processing time.
- Amex requires that all applications have the Federal Tax ID number **and** principal signature's Social Security Number. There is no exception for non-profit organizations. The tax ID cannot be substituted for the SSN.
- Please make sure that the bank information is filled out completely.
- Any application with a SIC code that associates the business with or as a travel agency requires the ARC (Airline Registered Corporation number), even if the business does not directly sell airline tickets.
- Please make sure that the business phone number and the DBA address match. If the address is their DBA and the phone number is their legal, then the application will reject.

Discover RAP

- Discover RAP has no set turnaround time to process an application.
- It is important to make sure that the Discover RAP form is legible and complete. Please make sure to include their volume and average ticket - without that information; a discount rate cannot be determined.
- If the application states that the business is a corporation, then there MUST be a Federal Tax ID.
- If the application states that the business is a partnership or sole proprietorship, then there MUST be the owner's (or partner's) Social Security Number. Even though the physical application gives you an option for "other" (LLC, non profit), this option is not available when submitting the application. *It is best that both the Tax ID and SSN fields are filled out for any type of business.*
- Please make sure that the business phone number and the DBA address match. If the address is their DBA and the phone number is their legal, then the app will be rejected.

Please note that any application that is not complete (i.e. MID, TID etc..) will be rejected. Be advised that notes on the application as to special circumstances with the business cannot be communicated to Amex or Disc, through these programs. Please contact your Account Manager if you need more information.

Truncation Update

States are passing laws that require electronic printed credit card receipts to print only the last 4 digits of the card number and no expiration date. This is to prevent lost receipts from being used for fraudulent transactions. Visa has also mandated truncation. In order to adhere to Visa's new regulations, effective immediately TransFirst will no longer set merchants up with non-truncation compliant hardware or software. New Certified Software lists will be distributed soon. Below is an updated list of the states that have already passed the law.

State	New Merchants	Existing Merchants
Arizona	June 30, 2002	June 30, 2004
California	January 1, 2001	January 1, 2004
Colorado	January 1, 2004	January 1, 2004
Florida	July 1, 2003	July 1, 2005
Kansas	July 1, 2004	July 1, 2005
Louisiana	January 1, 2002	January 1, 2004
Maryland	October 1, 2002	January 1, 2006
Virginia	July 1, 2003	July 1, 2007(PNS)
Washington	July 1, 2001	July 1, 2004
Kentucky	January 1, 2003	January 1, 2005
New York	January 1, 2003	January 1, 2006
New Jersey	January 1, 2004	January 1, 2004
Missouri	January 1, 2003	January 1, 2004
Illinois	January 1, 2003	January 1, 2004
Michigan	June 1, 2002	January 1, 2005
Texas	January 1, 2004	January 1, 2004
Maine		January 1, 2004
Oklahoma	January 2, 2004	January 1, 2007
Arkansas		January 1, 2004
Oregon	NOW	January 1, 2005

Since a manual imprinter does not electronically generate a receipt, merchants using them are not affected. Merchants with friction roll printers such as the P250, P900, or the T7P and T77 (with friction printers), will get one print out with two copies. Due to truncation, the only way the merchant will be able to get the full card number and exp date is to run a detail report. Two receipts will print out for merchants with thermal printers such as the OMNI 3200, and the Talento. The first one is the merchant copy with the full card number. The second receipt will be for the customer with only the last 4 digits of the card number and no expiration date. TransFirst is currently working on a plan to assist banks with converting affected merchants. We will continue to update you as new information becomes available.



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