

TRANSFIRST In Focus Insightful. Innovative. In depth.

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TransFirst
Provider of Internet, PC
software, or terminal
solutions

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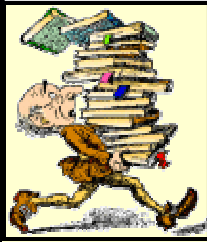


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Quarterly Training

Quarterly trainings aren't as complicated as this picture indicates!

Sign up and try us out! TransFirst offers quarterly training sessions for your staff members. These trainings are held at our office in Louisville, Colorado. The next available session will be February 27th and 28th. What a great opportunity for continuing education! RSVP's must be received by Thursday, February 22nd.

The "Basics" class includes information on basic bankcard philosophy, credit and risk requirements. Also, an overview of networks, the certified software list and forms will be covered. There will be a live demo of TransLink and the online application. The "Basics" class is taught by our Financial Institution Trainer Stephanie Bingham.

The "Products" class provides an opportunity to learn about the many ancillary products available through TransFirst such as CrossCheck, Tendercard and Merchant Prepaid. It will also include an overview of Contactless, Omni 37XX series of terminals and PC products including TransAction Central. The "Products" class will be taught by Laura Kirkman our Director of Products.

**Start 2007 off right by scheduling training for
your branch! Contact your TransFirst Account
Manager for more details!**

POS Partner Upgrade

TSYS Acquiring Solutions is releasing a new version of POS Partner in late October/early November 2006. POS Partner 6.1 is the official PCI Compliant version with enhanced security measures in place.

New features include:

- Account Number Visibility: Administrators can limit access to full card numbers based on user settings.
- Audit Log: The Event Audit Log tracks modify activity for one year. The audit log tracks transactions as well as all software and user changes.
- Restaurant Tip Overage: The ability to over- authorize on restaurant tips is removed in this version.

Enhancements to current functionality:

- American Express and Discover V-code prompt and submission for MOPO merchants
- American Express Level II for commercial cards
- New CID tab in card setup for Discover
- Electronic Commerce Recurring Payments with UCAF for MOPO. UCAF is the secure ecommerce transaction field passed for MasterCard SecureCode, which is similar to the Verified by Visa program.

POS Partner 6.1 is considered a 'universal upgrade' that is compatible for upgrade with all earlier, currently supported versions. Currently supported versions are 4.1.11 through 5.4.1, and include all service packs for these versions.



Annual Visa and MasterCard Sponsorship fees

At the beginning of each year, annual renewal sponsorship fees are charged by Visa and MasterCard. These fees are \$100 for Visa and \$100 for MasterCard sponsorship. In addition, MasterCard has instituted an annual fee to audit banks for their anti money laundering program. This fee is \$84.00 and will also be billed annually with the sponsorship renewal fees.

TransFirst will debit you \$284.00 on February 10th for these renewals on your residuals. Please contact your account manager if you have any questions.



American Express: New Pricing for Retail, Service, and Professional Services

American Express previously had a rate structure for the above categories on a volume range of from 0 to \$499,999. They now have a breakdown of rates from 0 to \$49,999 and one from \$50,000 to \$499,999.

You'll use your Quick Reference Card from American Express to look up the industry, volume category, average ticket, to determine the discount rate. Merchants that do not activate their account by submitting charges to American Express will automatically be converted to the \$5.95 flat monthly fee.

The Monthly Flat Fee of \$5.95 is an alternative simple pricing option that is offered to merchants. It is offered **only** to merchants with an estimated annual American Express volume of less than \$4,999. If the merchants charge volume exceeds the \$4,999 in any consecutive 12-month period, the merchants pricing will be automatically adjusted to the Standard Discount Rate.

The monthly flat fee is **mandatory** (regardless of estimated charge volume for these industries):

- Internet-Physical Delivery merchants
- Mail-Order Telephone Order
- Home Based Businesses

There is a chart on the Quick Reference Card to help you estimate the annual American Express Charge Volumes. Use this by choosing the industry type, and multiply the annual bankcard volume by the percentages listed in the chart.

H & R Block MasterCard

We have had many questions related to the original memo that went out about the H & R Block prepaid Emerald MasterCard. We had a follow up call with MasterCard's representative on the issuing side that works with H & R Block and have created a Q & A that will hopefully assist you in processing these cards for cash advances in your Financial Institution locations.

These cards are issued by H & R Block Bank. Many of the people who will have these cards are clients without existing Financial Institution accounts or credit cards. The card was not designed to be used primarily for cash advances. The intent was to put these cards into the retail market for acceptance. They can be accepted at any merchant location accepting credit or debit cards, at ATM's and at branch locations. Although many of these cards have been issued, only .01% are being used for a cash withdrawal at a teller window. Although you may not see many of these in your branches, they are re-loadable cards so they will more than likely be around long after tax season. The average load amounts on the cards today do not exceed \$3000 and average between \$1000 and \$1500.

The cards have a MasterCard hologram and logo, the card number is embossed on the card and the card contains a signature panel on the back. The card is issued without an embossed name, although the cardholder has the option of getting an embossed card if they want one.

As the previous memo stated, it is important to be sure all cash advance procedures are being following at your teller window to protect you from possible chargebacks.

This memo also included a page of H & R Block Emerald Card Questions and Answers, a memo from MasterCard International, and a Reminder page on the rules and responsibilities for face-to-face cash disbursement transactions. Please contact your account manager for details.

FYI's and Reminders

- Be sure and provide a current merchant agreement to each new approved customer and other addendums such as Card Not Present (CNP) or Specialized services addendum.
- Sponsorship renewals for the card associations will be billed with January's residuals.
- Quarterly training invitations have gone out for the February 27 and 28 sessions.
- Hypercom T7Plus will now be deployed with 1 MB memory instead of the smaller 512k units. The price will be the same. Setup processes and applications will be the same. No coding changes are required. The units look identical except that the 1 meg unit has 4 lines on the display screen. 512k units swapped through POS portal will be replaced with the 1 meg version.
- Meta PrePaid Visa and MasterCard Gift Card Demos are now available, following the holidays. Please contact your account manager for details.
- Faxing; when faxing in additional documentation or forms, please include the merchant number and who the fax should go to.
- **Merchant pricing changes:** When doing a pricing change for your merchant it is a good idea to process the change the first of the month. Fixed rates are computed daily on accounts and a rate change on the 15th of the month, for example, will only affect the volume going forward. The rate showing on the merchant statement will show the new rate but will not be the true effective rate as it will be a combination of both rates.