

Merchant Compliance Notification

Misuse of Authorization System Fee

Effective July 1, 2009, Visa U.S.A. will implement the following fees:

I. A Visa Misuse of Authorization System Fee will be assessed at \$0.045 per item

- This fee will be applied to authorized transactions that are not followed by a matching Visa cleared (settled) transaction (or in the case of a canceled transaction, not properly reversed). The fee can be avoided by clearing (settling) your transactions within 10 days for Non Travel and Entertainment (T&E) Merchants Segments and 20 days for T&E merchants. If an authorization is not needed, the authorization must be electronically reversed within 24 hours for face to face authorizations and reversed within 72 hours for Card absent authorizations.

II. A Zero Floor Limit Fee will be assessed at \$0.10 per item

- This fee will be applied to any transaction that is cleared (settled) without the required authorization. All transactions above zero dollars require an authorization approval. This fee can be avoided by only clearing/settling transactions that have been approved. If an authorization is declined, you must request another form of payment.

III. An Account Number verification fee will be assessed at \$0.025

- This fee will be applied to card verification requests (without an actual dollar authorization). This fee can be avoided by obtaining an authorization request for the amount of the sale. If the authorization is not needed, the authorization request must be electronically reversed within 24 hours for face to face authorizations and reversed within 72 hours for Card absent authorizations (to avoid the Visa Misuse of Authorization System fee).

Contact Persons: If you have any questions regarding this change, please contact customer service

Date: April 23, 2009