



ALERT: Visa's Fixed Acquirer Network Fee (FANF)

This February, Visa announced a new network fee:

February 14, 2012 - Visa will initiate a new pass through Fixed Acquirer Network Fee (FANF) on a merchant Taxpayer ID basis (TIN) beginning April 1, 2012. The rate assessed to each Taxpayer ID will be determined based on channel and MCC with quarterly collection by Visa beginning in July 2012 for the previous calendar quarter.

- For Card Present merchants, with the exception of Fast Food Restaurants, a merchant Taxpayer ID with physical locations will be assessed FANF on a per-location rate basis.
- Customer Not Present volume (defined as originating from transactions with an ECI/MOTO indicator of 1-9), merchant aggregators and merchants primarily operating as Fast Food Restaurants (MCC 5814) will be assessed based on gross merchant sales volume originating from any Visa-branded card.
- If your portfolio contains selective acceptance merchants, please advise the Relationship Management team as we will be required to contact Visa for additional pricing information for this category.
- Visa will also effectively waive the FANF for eligible Charitable and Social Service Organizations (MCC 8398). The FANF waiver for Charitable and Social Service Organizations will be provided through a quarterly rebate process that Visa has indicated will be defined at a later date.

** From the 2/21/12 Global Payments' Announcement*

In order to account for this additional expense, Total Merchant Services has decided to create a "Pass-Thru" program based on the parameters already established by Visa for billing this fee monthly to each merchant account already boarded through Global Payments Inc. Merchants will see this fee starting April 2012.

Each merchant account will be billed accordingly based on their qualifications:

- Card Present - High Volume MCC Merchants will be billed \$2.90 per merchant account (Chart 1)
- Card Present - All Other MCC Merchants will be billed \$2.00 per merchant account. (Chart 2)
- Card Not Present (CNP) & Fast Food – All CNP MCC Merchants and 5814 MCC Merchants will be billed based on their previous month's processing volume based on the Chart 3. Newly boarded merchants will be billed a FANF fee of \$5.00 for their first month's billing initially, and then adjusted in accordance to their volume thereafter.

If you have any questions, please contact Partner Support at (888) 848-6825, Ext. 9407 or by email: partnersupport@merchantserviceshq.com

Wishing you continued selling success,

Your Sales Partnership Team

Chart 1: Card Present High Volume MCC Merchants

Tier	Price per location per month
1	\$2.90

High Volume MCCs	Descriptor
3000-3299, 4511	Airlines
3300-3499, 7512	Auto Rental
3500-3999, 7011	Lodging
4411	Steamship / Cruise Lines
4829	Wire Transfer Money Order
5200	Home Supply Warehouse Stores
5300	Wholesale Clubs
5309	Duty Free Stores
5310	Discount Stores
5311	Department Stores
5411	Grocery Stores and Supermarkets
5511	Car and Truck Dealers / New / Used
5532	Automotive Tire Stores
5541	Service Stations (With or Without Ancillary Services)
5542	Automated Fuel Dispensers
5651	Family Clothing Stores
5655	Sports / Riding Apparel Stores
5712	Furniture / Equipment Stores
5732	Electronics Stores
5912	Drug Stores and Pharmacies
5943	Stationery Stores
7012	Timeshares
7832	Motion Picture Theaters

Chart 2: Card Present - All other MCCs

Tier	Price per location per month
1	\$2.00

**Chart 3: Card Not Present (ECI/MOTO Value 1 - 9)
Merchant Aggregators and Fast Food Restaurants (MCC 5814) Volume**

Tier	Monthly Gross Sales Volume	Fee Per Month
1	< \$50	\$2.00
2	\$50 - \$199	\$2.90
3	\$200 - \$999	\$5.00
4	\$1,000 - \$3,999	\$7.00
5	\$4,000 - \$7,999	\$9.00
6	\$8,000 - \$39,999	\$15.00
7	\$40,000 - \$199,999	\$45.00
8	\$200,000 - \$799,999	\$120.00
9	\$800,000 - \$1,999,999	\$350.00
10	\$2,000,000 - \$3,999,999	\$700.00
11	\$4,000,000 - \$7,999,999	\$1,500.00
12	\$8,000,000 - \$19,999,999	\$3,500.00
13	\$20,000,000 - \$39,999,999	\$7,000.00
14	\$40,000,000 - \$79,999,999	\$15,000.00
15	\$80,000,000 - \$399,999,999	\$30,000.00
16	> \$400,000,000	\$40,000.00