



Dear Valued Merchant,

Welcome to Central Payment – thank you for becoming our client.

We are committed to providing our merchants with outstanding customer service and superior products. It is our company philosophy that leading edge technology and secure state-of-the-art processing are critical to maintaining this high standard.

Thank you for choosing Central Payment to be an integral part of your business payment solutions. We are excited about the opportunity to serve your card processing needs and we value your business.

Sincerely,

The Central Payment Team

The following is a sample merchant statement (page 1). Refer to the explanation of each numbered field to assist you in reconciling your card processing activity.

# SAMPLE OF MERCHANT MONTHLY STATEMENT PAGE 1



FIRST NATIONAL (1-800-228-2443)  
WWW.FIRSTNATIONALMERCHANTS.COM  
PO BOX 3190  
OMAHA, NE 68103-0190  
6900 0010 FB RP 02 0000007 20090823 NNNNNN

MERCHANT STATEMENT  
PAGE 1 OF 7  
BILLING STATEMENT FOR  
JULY 31, 2009

## 1D

# 1A

BUFFALO RIDGE INC  
46614 W HIGHWAY 38

BUFFALO RIDGE, SD 57107-6028

|            |     |
|------------|-----|
| CODE:      |     |
| PRINCIPAL: | 001 |
| ASSOCIATE: | 001 |
| CHAIN:     | 000 |

# 1B

MERCHANT NBR: 55615

DBA NAME: BUFFALO RIDGE INC

**1C**

XX

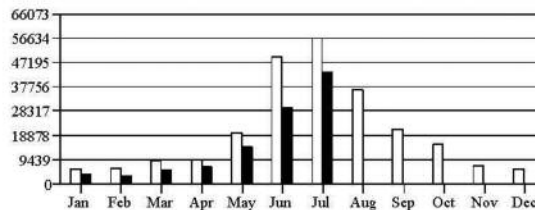
### ACTIVITY SUMMARY

 $2A \frac{T}{V}$ 

|             | SALES        | CREDIT       | NET          | TOTAL        |
|-------------|--------------|--------------|--------------|--------------|
| <u>TYPE</u> | <u>SALES</u> | <u>TRANS</u> | <u>TRANS</u> | <u>TRANS</u> |
| VISA        | 27,468.56    | 717          | 0            | 717          |
| MASTERCARD  | 11,617.82    | 243          | 0            | 243          |
| DISCOVER    | 2,440.62     | 53           | 0            | 53           |
| AMEX        | 1,816.26     | 45           | 0            | 45           |

### GROSS SALES VOLUME

**2B**



☐ 2008    ☒ 2009

*CURRENT MONTH SALES*

## IMPORTANT ACCOUNT INFORMATION

QUESTIONS ABOUT THE PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCI DSS) FEE?  
ADDITIONAL INFORMATION IS AVAILABLE FOLLOWING YOUR STATEMENT.

### DEPOSIT DETAIL

| PROCESS     | NBR          | BATCH         | 3RD PARTY        |                   |                   | NET           |
|-------------|--------------|---------------|------------------|-------------------|-------------------|---------------|
| <u>DATE</u> | <u>TRANS</u> | <u>AMOUNT</u> | <u>BATCH AMT</u> | <u>ADJUSTMENT</u> | <u>CHARGEBACK</u> | <u>AMOUNT</u> |
| 07/01       | 37           | 1,282.78      | -55.65           | 0.00              | 0.00              | 1,227.13      |
| 07/01       | 30           | 1,494.97      | -217.83          | 0.00              | 0.00              | 1,277.14      |
| 07/02       | 24           | 667.09        | -33.75           | 0.00              | 0.00              | 633.34        |
| 07/03       | 39           | 1,709.05      | -99.42           | 0.00              | 0.00              | 1,609.63      |
| 07/06       | 53           | 3,021.17      | -154.94          | 0.00              | 0.00              | 2,866.23      |
| 07/06       | 40           | 1,897.11      | -103.22          | 0.00              | 0.00              | 1,793.89      |
| 07/07       | 49           | 1,768.56      | -193.69          | 0.00              | 0.00              | 1,574.87      |
| 07/08       | 37           | 1,860.19      | -345.99          | 0.00              | 0.00              | 1,514.20      |
| 07/09       | 9            | 316.08        | -25.77           | 0.00              | 0.00              | 290.31        |
| 07/10       | 20           | 685.49        | -134.32          | 0.00              | 0.00              | 551.17        |
| 07/11       | 21           | 1,022.97      | -47.00           | 0.00              | 0.00              | 975.97        |
| 07/13       | 45           | 1,762.04      | -109.15          | 0.00              | 0.00              | 1,652.89      |

### 3A

**3B**

**3C**

## 3D

**3E**

**3F**

## 3G

The information contained herein is confidential and must not be released to third parties without permission.



As a valued customer of Central Payment you will receive a detailed monthly statement, which provides an explanation of your monthly credit and debit card processing activity. Every merchant is sent a monthly processing statement reflecting a breakdown of all batch, deposit, and fee activity. Statements are mailed out the first week of each month reflecting activity for the previous month. This guide will walk you through each field of the Central Payment merchant statement. Please feel free to contact Merchant Support with any further questions.

### 1. STATEMENT HEADER

- a** Merchant Mailing Address – The mailing address indicated on the agreement.
- b** Merchant Identification Number (MID) – The MID# consisting of 8 digits.
- c** DBA Name – The Doing Business As name indicated on the agreement
- d** Billing Statement Timeline – Indicates the month the statement is detailing.

### 2. ACTIVITY SUMMARY

- a** This table shows a summary of the total card processing activity for the entire previous month by card type.
- b** This pie chart is a graphical representation of the types of cards that has been accepted for the month. The pie chart shows the percentage of acceptance by card types, Visa, MasterCard, AMEX and Discover as a gross volume.
- c** This table chart is a graphical representation of a year to year comparison of the volume of card processing for each month.

### 3. DEPOSIT DETAIL

This table details out the total processing activity broken down by batch. The information here will indicate the net volume processed.

- a** Process Date – The date of the batch was transmitted to the processing center.
- b** NBR Trans – The number of transactions that were processed within the batch.
- c** Batch Amount – The total dollar volume for the closed batch.
- d** 3rd Party Batch AMT – The volume of card transactions that are processed by a third party. Example: American Express. This amount is shown as a negative amount to net out what Central Payment processed.
- e** Adjustment – Any adjustments made the any transactions within the batch
- f** Chargeback – Any transactions that were disputed by the cardholder. This column will have chargebacks represented by the amount of sale that was charged back. See the Chargeback Sections for further details.
- g** Net Amount – This amount is the net amount of processed activity by Central Payment minus any activity indicated in the columns 3rd Party Batch, Adjustments & Chargebacks.
- h** Total Batch Deposits – Indicates the number of batches that were deposited into the merchant bank account on file.

The following is a sample merchant statement (page 2). Refer to the explanation of each numbered field to assist you in reconciling your card processing activity.

## SAMPLE OF MERCHANT MONTHLY STATEMENT PAGE 2

6900 0010 FB RP 02 0000007 20090823 NNNNNN

MERCHANT NBR:55615

DBA: BUFFALO RIDGE INC

### MERCHANT STATEMENT

PAGE 2 OF 7

JULY 31, 2009

#### DEPOSIT DETAIL (continued)

| PROCESS DATE | NBR TRANS | BATCH AMOUNT | 3RD PARTY BATCH AMT | ADJUSTMENT | CHARGEBACK | NET AMOUNT |
|--------------|-----------|--------------|---------------------|------------|------------|------------|
| 07/13        | 28        | 1,142.92     | -112.41             | 0.00       | 0.00       | 1,030.51   |
| 07/14        | 35        | 1,348.28     | -301.81             | 0.00       | 0.00       | 1,046.47   |
| 07/14        | 32        | 1,274.82     | -185.81             | 0.00       | 0.00       | 1,089.01   |
| 07/16        | 13        | 415.58       | 0.00                | 0.00       | 0.00       | 415.58     |
| 07/17        | 30        | 1,249.42     | -41.11              | 0.00       | 0.00       | 1,208.31   |
| 07/18        | 22        | 1,282.87     | -182.09             | 0.00       | 0.00       | 1,100.78   |
| 07/18        | 42        | 1,678.31     | -152.97             | 0.00       | 0.00       | 1,525.34   |
| 07/20        | 41        | 2,398.95     | -199.61             | 0.00       | 0.00       | 2,199.34   |
| 07/21        | 41        | 1,205.81     | -29.77              | 0.00       | 0.00       | 1,176.04   |
| 07/22        | 31        | 1,046.21     | -109.39             | 0.00       | 0.00       | 936.82     |
| 07/23        | 17        | 708.38       | -111.53             | 0.00       | 0.00       | 596.85     |
| 07/23        | 24        | 1,245.34     | -65.28              | 0.00       | 0.00       | 1,180.06   |
| 07/24        | 30        | 975.05       | -189.68             | 0.00       | 0.00       | 785.37     |
| 07/27        | 46        | 1,880.02     | -166.43             | 0.00       | 0.00       | 1,713.59   |
| 07/27        | 28        | 982.56       | -64.50              | 0.00       | 0.00       | 918.06     |
| 07/28        | 32        | 1,383.03     | -131.47             | 0.00       | 0.00       | 1,251.56   |
| 07/28        | 54        | 1,678.10     | -87.96              | 0.00       | 0.00       | 1,590.14   |
| 07/29        | 33        | 1,463.58     | -97.78              | 0.00       | 0.00       | 1,365.80   |
| 07/30        | 31        | 1,012.62     | -143.29             | 0.00       | 0.00       | 869.33     |
| 07/31        | 44        | 1,483.91     | -363.26             | 0.00       | 0.00       | 1,120.65   |
| TOTAL        | 1,058     | 43,343.26    | -4,256.88           | 0.00       | 0.00       | 39,086.38  |

TOTAL BATCH DEPOSITS 32

#### 3RD PARTY BATCH AMOUNT DETAIL

3H

| DATE  | AMOUNT   | PAID BY  | AMOUNT | DATE  | AMOUNT   | PAID BY  | AMOUNT |
|-------|----------|----------|--------|-------|----------|----------|--------|
| 07/01 | 1,282.78 | DISCOVER | 22.84  | 07/18 | 1,678.31 | AMEX     | 44.43  |
| 07/01 | 1,282.78 | AMEX     | 32.81  | 07/20 | 2,398.95 | DISCOVER | 173.16 |
| 07/01 | 1,494.97 | DISCOVER | 161.27 | 07/20 | 2,398.95 | AMEX     | 26.45  |
| 07/01 | 1,494.97 | AMEX     | 56.56  | 07/21 | 1,205.81 | DISCOVER | 6.47   |
| 07/02 | 667.09   | DISCOVER | 33.75  | 07/21 | 1,205.81 | AMEX     | 23.30  |
| 07/03 | 1,709.05 | DISCOVER | 43.05  | 07/22 | 1,046.21 | DISCOVER | 20.00  |
| 07/03 | 1,709.05 | AMEX     | 56.37  | 07/22 | 1,046.21 | AMEX     | 89.39  |
| 07/06 | 3,021.17 | DISCOVER | 38.60  | 07/23 | 708.38   | DISCOVER | 64.93  |
| 07/06 | 3,021.17 | AMEX     | 116.34 | 07/23 | 708.38   | AMEX     | 46.60  |
| 07/06 | 1,897.11 | DISCOVER | 84.26  | 07/23 | 1,245.34 | DISCOVER | 23.59  |
| 07/06 | 1,897.11 | AMEX     | 18.96  | 07/23 | 1,245.34 | AMEX     | 41.69  |
| 07/07 | 1,768.56 | DISCOVER | 193.69 | 07/24 | 975.05   | DISCOVER | 86.62  |
| 07/08 | 1,860.19 | DISCOVER | 345.99 | 07/24 | 975.05   | AMEX     | 103.06 |
| 07/09 | 316.08   | DISCOVER | 25.77  | 07/27 | 1,880.02 | DISCOVER | 23.31  |
| 07/10 | 685.49   | AMEX     | 134.32 | 07/27 | 1,880.02 | AMEX     | 143.12 |
| 07/11 | 1,022.97 | DISCOVER | 47.00  | 07/27 | 982.56   | DISCOVER | 36.57  |
| 07/13 | 1,762.04 | DISCOVER | 46.66  | 07/27 | 982.56   | AMEX     | 27.93  |
| 07/13 | 1,762.04 | AMEX     | 62.49  | 07/28 | 1,383.03 | DISCOVER | 51.00  |
| 07/13 | 1,142.92 | DISCOVER | 29.48  | 07/28 | 1,383.03 | AMEX     | 80.47  |
| 07/13 | 1,142.92 | AMEX     | 82.93  | 07/28 | 1,678.10 | DISCOVER | 52.04  |
| 07/14 | 1,348.28 | DISCOVER | 221.47 | 07/28 | 1,678.10 | AMEX     | 35.92  |
| 07/14 | 1,348.28 | AMEX     | 80.34  | 07/29 | 1,463.58 | DISCOVER | 66.00  |
| 07/14 | 1,274.82 | DISCOVER | 92.06  | 07/29 | 1,463.58 | AMEX     | 31.78  |
| 07/14 | 1,274.82 | AMEX     | 93.75  | 07/30 | 1,012.62 | DISCOVER | 98.45  |
| 07/17 | 1,249.42 | DISCOVER | 41.11  | 07/30 | 1,012.62 | AMEX     | 44.84  |
| 07/18 | 1,282.87 | DISCOVER | 182.09 | 07/31 | 1,483.91 | DISCOVER | 20.85  |
| 07/18 | 1,678.31 | DISCOVER | 108.54 | 07/31 | 1,483.91 | AMEX     | 342.41 |

4A

4B

4C

4D

The information contained herein is confidential and must not be released to third parties without permission.

### 4. 3RD PARTY BATCH AMOUNT DETAIL

As indicated in the previous section, not all card activity is processed by Central Payment.

This table indicates the batch details pertaining to any transactions processed by a 3rd party.

- a** Date – The date of the batch was transmitted to the 3rd party processing center.
- b** Batch Amount – The total dollar volume of the closed batch.
- c** Paid By – The 3rd Party Processor that ran the transaction.
- d** Amount – The amount of volume that was authorized by the 3rd party processor.

### 5. PROCESSING DETAIL

This table indicates the processing fees for the card brands that are processed by Central Payment.

The processing fees will include the discount rate as well as the transaction fees.

Card type applicable to listed fees. All authorization fees for batch closings are listed under the Visa card type.

- a** Card – The card brand that was accepted and processed.
- b** Type – The interchange category that the card qualified as. The card type is codified into a 4 digit alpha-numeric code that designates the interchange categories that are described in the Terms & Conditions.
- c** The processed volume that fell under the Card and Type.
- d** Discount Rate – the rate as indicated in the Merchant Agreement. This discount rate will reflect the tier the transaction falls under.
- e** Number Trans – The number of transactions that fell under the Card and Type.
- f** Trans Fee – The transaction fee that was designated by the Merchant Agreement.
- g** Processing Fee – The processing fee of the volume that fell under the designated Type, Discount Rate, and Trans Fee.

### 6. AUTHORIZATION DETAIL

This table will indicate the number of authorizations ran for each card brand and the listed authorization fee.

- a** Card – The different card brands such as Visa, MasterCard, Discover & AMEX
- b** Number – The number of authorizations for each card brand.
- c** Rate – The transaction fee charged for the designated card brand.
- d** Authorization Fee – The total calculated authorization fee for each card brand.

### 7. OTHER DETAIL

This section breaks down any fees that are charged to the merchant account. Examples are Statement fee and Monthly Minimum.

- a** Description – This column will describe the fee that is charged.
- b** Number – Indicates the quantity of the charge.
- c** Rate – Indicates the cost of the fee in the Description
- d** Other Fee – Determines the total charge based off of the Rate and Number.

### 8. SUMMARY

This section indicates the total amount of fees that fell under the previous detailed tables. The total processing fee for the month will be the sum of the Processing, Authorization and Other fields.

### 9. ADDITIONAL INFORMATION (STATEMENT MESSAGE)

This section is reserved for any updates pertaining to your business and merchant account. At times there will be information releases pertaining to the payment card industry as well as updates to the Agreement.



The following is a sample merchant statement (page 3). Refer to the explanation of each numbered field to assist you in reconciling your card processing activity.

## SAMPLE OF MERCHANT MONTHLY STATEMENT PAGE 3

6900 0010 FB RF 02 0000007 20090823 NNNNNN

MERCHANT NBR 55615

DBA: BUFFALO RIDGE INC

MERCHANT STATEMENT

PAGE 3 OF 7

JULY 31, 2009

### PROCESSING DETAIL

| 5A | CARD             | 5B | TYPE | 5C | AMOUNT    | 5D | DISCOUNT RATE | NUMBER TRANS | 5E  | TRAN FEE | 5F | PROCESSING FEE | 5G |
|----|------------------|----|------|----|-----------|----|---------------|--------------|-----|----------|----|----------------|----|
|    | VISA             |    | 1508 |    | 1,724.20  |    | 1.5200%       |              | 11  | 0.1900   |    | 28.30          |    |
|    | VISA             |    | 1557 |    | 87.70     |    | 1.5200%       |              | 1   | 0.1900   |    | 1.52           |    |
|    | VISA             |    | 1558 |    | 12,427.04 |    | 1.5200%       |              | 380 | 0.1900   |    | 261.09         |    |
|    | VISA             |    | 1227 |    | 10.68     |    | 1.8300%       |              | 1   | 0.1900   |    | 0.39           |    |
|    | VISA             |    | 1228 |    | 423.39    |    | 1.8300%       |              | 43  | 0.1900   |    | 15.92          |    |
|    | VISA             |    | 1229 |    | 33.01     |    | 1.8300%       |              | 3   | 0.1900   |    | 1.17           |    |
|    | VISA             |    | 1257 |    | 333.97    |    | 1.8300%       |              | 6   | 0.1900   |    | 7.25           |    |
|    | VISA             |    | 1258 |    | 8,936.11  |    | 1.8300%       |              | 209 | 0.1900   |    | 203.24         |    |
|    | VISA             |    | 1259 |    | 949.47    |    | 1.8300%       |              | 17  | 0.1900   |    | 20.61          |    |
|    | VISA             |    | 1559 |    | 36.24     |    | 1.8300%       |              | 1   | 0.1900   |    | 0.85           |    |
|    | VISA             |    | 1Y31 |    | 362.47    |    | 2.0100%       |              | 6   | 0.1900   |    | 8.43           |    |
|    | VISA             |    | 1V55 |    | 1,418.37  |    | 3.2900%       |              | 29  | 0.1900   |    | 52.17          |    |
|    | VISA             |    | 1V56 |    | 316.68    |    | 3.2900%       |              | 1   | 0.1900   |    | 10.61          |    |
|    | VISA             |    | 1W55 |    | 312.80    |    | 3.2900%       |              | 5   | 0.1900   |    | 11.24          |    |
|    | VISA             |    | 1X55 |    | 53.00     |    | 3.2900%       |              | 3   | 0.1900   |    | 2.31           |    |
|    | VISA             |    | 1608 |    | 43.43     |    | 3.2900%       |              | 1   | 0.1900   |    | 1.62           |    |
|    | MASTERCARD       |    | 1508 |    | 1,001.12  |    | 1.5200%       |              | 2   | 0.1900   |    | 15.60          |    |
|    | MASTERCARD       |    | 1558 |    | 2,294.91  |    | 1.5200%       |              | 69  | 0.1900   |    | 47.99          |    |
|    | MASTERCARD       |    | 1232 |    | 805.07    |    | 1.8300%       |              | 17  | 0.1900   |    | 17.96          |    |
|    | MASTERCARD       |    | 1265 |    | 711.52    |    | 1.8300%       |              | 25  | 0.1900   |    | 17.77          |    |
|    | MASTERCARD       |    | 1297 |    | 135.04    |    | 1.8300%       |              | 1   | 0.1900   |    | 2.66           |    |
|    | MASTERCARD       |    | 1298 |    | 795.21    |    | 1.8300%       |              | 11  | 0.1900   |    | 16.64          |    |
|    | MASTERCARD       |    | 1L65 |    | 129.69    |    | 2.0100%       |              | 5   | 0.1900   |    | 3.56           |    |
|    | MASTERCARD       |    | 1L98 |    | 387.70    |    | 2.0100%       |              | 6   | 0.1900   |    | 8.93           |    |
|    | MASTERCARD       |    | 1P65 |    | 966.36    |    | 2.0100%       |              | 32  | 0.1900   |    | 25.50          |    |
|    | MASTERCARD       |    | 1P97 |    | 50.97     |    | 2.0100%       |              | 1   | 0.1900   |    | 1.21           |    |
|    | MASTERCARD       |    | 1P98 |    | 887.61    |    | 2.0100%       |              | 9   | 0.1900   |    | 19.55          |    |
|    | MASTERCARD       |    | 1365 |    | 806.16    |    | 2.0100%       |              | 27  | 0.1900   |    | 21.33          |    |
|    | MASTERCARD       |    | 1398 |    | 1,739.00  |    | 2.0100%       |              | 19  | 0.1900   |    | 38.56          |    |
|    | MASTERCARD       |    | 1K28 |    | 44.54     |    | 3.2900%       |              | 1   | 0.1900   |    | 1.66           |    |
|    | MASTERCARD       |    | 1627 |    | 21.65     |    | 3.2900%       |              | 1   | 0.1900   |    | 0.90           |    |
|    | MASTERCARD       |    | 1628 |    | 674.27    |    | 3.2900%       |              | 13  | 0.1900   |    | 24.65          |    |
|    | MASTERCARD       |    | 1701 |    | 137.00    |    | 3.2900%       |              | 3   | 0.1900   |    | 5.08           |    |
|    | MASTERCARD       |    | 1728 |    | 30.00     |    | 3.2900%       |              | 1   | 0.1900   |    | 1.18           |    |
|    | DISCOVER         |    | 1911 |    | 2,440.62  |    | 0.0000%       |              | 53  | 0.0000   |    | 0.00           |    |
|    | AMEX             |    | 1921 |    | 1,816.26  |    | 0.0000%       |              | 45  | 0.0000   |    | 0.00           |    |
|    | PROCESSING TOTAL |    |      |    |           |    |               |              |     |          |    | 897.45         |    |



### AUTHORIZATION DETAIL

|                     | 6A | CARD       | DESCRIPTION | 6B | NUMBER | 6C | RATE   | AUTHORIZATION FEE | 6D |
|---------------------|----|------------|-------------|----|--------|----|--------|-------------------|----|
| VENDOR              |    |            |             |    |        |    |        |                   |    |
| AUTHORIZATION 05    |    | VISA       | ELECTRONIC  |    | 716    |    | 0.0000 | 0.00              |    |
| AUTHORIZATION 05    |    | MASTERCARD | ELECTRONIC  |    | 241    |    | 0.0000 | 0.00              |    |
| AUTHORIZATION 05    |    | DISCOVER   | ELECTRONIC  |    | 53     |    | 0.1500 | 7.95              |    |
| AUTHORIZATION 05    |    | AMEX       | ELECTRONIC  |    | 45     |    | 0.1500 | 6.75              |    |
| AUTHORIZATION TOTAL |    |            |             |    | 1,055  |    |        | 14.70             |    |

### OTHER DETAIL

|        | 7A | TYPE | DESCRIPTION               | 7B | NUMBER | 7C | RATE    | OTHER FEE | 7D |
|--------|----|------|---------------------------|----|--------|----|---------|-----------|----|
| SUPPLY |    |      | 2-PART SALES DRAFTS - BOX |    | 1      |    | 12.0000 | 12.00     |    |
|        |    |      | SALES TAX                 |    | 0      |    | 0.0400  | 0.48      |    |
| MISC   |    |      | POSTAGE & HANDLING        |    | 0      |    | 0.0000  | 7.51      |    |
| MISC   |    |      | MONTHLY STATEMENT FEE     |    | 0      |    | 0.0000  | 9.95      |    |
| MISC   |    |      | PCI ANNUAL NON-SCANABLE   |    | 0      |    | 0.0000  | 59.00     |    |

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The following is a sample merchant statement (page 4). Refer to the explanation of each numbered field to assist you in reconciling your card processing activity.

## SAMPLE OF MERCHANT MONTHLY STATEMENT PAGE 4

6900 0010 FB RP 02 0000007 20090823 NNNNNN  
**MERCHANT NBR55615**  
 DBA: BUFFALO RIDGE INC

**MERCHANT STATEMENT**  
 PAGE 4 OF 7  
 JULY 31, 2009

### OTHER DETAIL (continued)

| TYPE        | DESCRIPTION                              | NUMBER | RATE   | OTHER FEE |
|-------------|--|--------|--------|-----------|
| MISC        | SERVICE MAINTENANCE FEE                  | 0      | 0.0000 | 15.00     |
| MISC        | VISA ACQUIRER PROCESSING FEE             | 0      | 0.0000 | 0.00      |
| MISC        | LAST MONTH'S EXCESSIVE VISA AUTHOS       | 22     | 0.1500 | 3.30      |
| MISC        | LAST MONTH'S EXCESSIVE MASTERCARD AUTHOS | 5      | 0.1500 | 0.75      |
| MISC        | VISA INTERNATIONAL SERVICE ASSMT         | 1,330  | 0.0040 | 5.32      |
| MISC        | MC NABU FEE                              | 0      | 0.0000 | 0.00      |
| MISC        | VISA BASE II TRAN FEE                    | 0      | 0.0000 | 0.00      |
| MISC        | MASTERCARD TRAN FEE                      | 0      | 0.0000 | 0.00      |
| MISC        | MASTERCARD CROSS BORDER US               | 799    | 0.0030 | 2.40      |
| OTHER TOTAL |  |        |        | 115.71    |



### SUMMARY

|   | AMOUNT   |
|---|----------|
| PROCESSING                                  | 897.45   |
| AUTHORIZATION                               | 14.70    |
| OTHER                                       | 115.71   |
| TOTAL PROCESSING SERVICE FEES OF            | 1,027.86 |
| HAVE BEEN APPLIED FOR THE REPORTING PERIOD. |          |

**8.)**

### 9.) ADDITIONAL INFORMATION

ACCEPT MORE CARD TYPES AT THE POINT-OF-SALE (POS). DINERS INTL, JCB & CHINA UNION PAY WILL PROCESS AS DISCOVER TRANSACTIONS EFFECTIVE 10/16/09. YOUR POS EQUIPMENT OR SOFTWARE REQUIRES AN UPDATE FOR DINERS INTL. IN SEPTEMBER, PLEASE CALL 800-228-2443 TO UPDATE YOUR POS EQUIPMENT OR CONTACT YOUR SOFTWARE PROVIDER TO PERFORM THE UPDATES. SIGNAGE IS AVAILABLE AT WWW.DISCOVERNETWORK.COM. IF DO NOT CURRENTLY ACCEPT DISCOVER, NOW IS A GREAT TIME TO ADD THE CARD HELD BY MILLIONS OF LOYAL CARDHOLDERS.

### ADDITIONAL INFORMATION

FIRST NATIONAL MERCHANT SOLUTIONS RECENTLY LEARNED A COMPETITOR, USING A COMPANY NAME SIMILAR TO OURS IS CAUSING CONFUSION FOR OUR CUSTOMERS. PLEASE BE AWARE THAT 1ST OR FIRST NATIONAL MERCHANT SERVICES IS NOT AFFILIATED WITH FNMS IN ANYWAY. PLEASE CONTACT OUR CUSTOMER CARE CENTER AT 800-228-2443 IF YOU ARE CONTACTED BY THIS COMPANY.

*Review this statement closely. Verify all deposits, adjustments, chargebacks and fees. It is the merchant's responsibility to report any error or discrepancies in writing within ninety (90) days following the reporting period. After this time, the statement information and fees are considered to be accepted by the merchant. Requests for analysis beyond this timeframe may result in additional research fees.*

## CENTRAL PAYMENT MERCHANT KIT

Your Merchant Kit contains information to assist you in accepting transactions electronically (or on paper if you are not using a point-of-sale terminal). The contents of your kit may vary depending on your processing needs, but will always include a welcome letter along with the standard items described below. Please review your kit carefully for the items listed. Additional supplies can be ordered by contacting our Customer Service department.

### VOICE AUTHORIZATION STICKER

The Voice Authorization process is used when you are unable to electronically authorize a transaction—for example, if you can't swipe the credit card in your electronic terminal or if you do not use an electronic terminal in your business. You can voice authorize Visa, MasterCard, American Express and Discover credit card transactions. To do so, please have your Merchant Identification Number (MID) handy. There is a single MID for Visa, MasterCard and Discover which you can find on your merchant processing statement and on the Voice Authorization Sticker on your terminal. American Express has a separate MID, which will be on your separate statement from American Express or on your terminal sticker. If in doubt, Central Payment's Customer Service representatives can tell you your MID.

To perform a voice authorization, call the appropriate toll-free number on your terminal sticker and follow the instructions below in this Merchant Manual under the heading "Voice Authorization Procedures". (Please remove and discard any previous terminal stickers and disregard any previous procedures you may have followed.)

### QUICK REFERENCE CARD

The Quick Reference Card is provided with most electronic terminals. Make sure you read this card thoroughly—it will assist you with the most commonly used functions on your terminal, including how to perform a sale or a refund, how to settle your batch, and more. Your Central Payment Account Executive or Customer Service representative can instruct you on these operations if necessary.



(NOTE: It is very important that you settle your batch at the end of every business day during which you have credit card transactions. If you do not settle your batch, the transactions will remain in the terminal and will not be processed. If you settle your batch late, some or all of the transactions in the batch may be subject to surcharges. The Quick Reference Card has instructions for batch transmittal.)

### WINDOW DECALS

Decals will be provided so customers can easily identify the credit card types your business accepts. More decals and specialized decals, signage and other promotional material are available. There may be a charge for certain of these materials.



### DOWNLOAD ASSISTANCE

Central Payment's Technical Support staff will insure all merchants have the proper software downloaded correctly to their point-of-sale devices whether they are changing applications or adding a service. Your Central Payment Account Executive may also be available for assistance.

### MERCHANT TRAINING

A Central Payment Technical Support Representative or Account Executive will attempt to contact the merchant within 24 hours of the merchant receiving their new credit card equipment, or the application software being ready to download into the merchant's existing terminal. They will assist and/or give instructions regarding any physical installation required, will test the equipment on site, and will instruct the merchant on the specific operations of the terminal and applications they will be using. Any merchant may call Central Payment's Customer and Technical Support Center at any time for status and assistance at 1-800-449-8012. This number should be used for terminal installation or training issues only.



### HELP DESK

Central Payment offers one of the largest help-desk services in the industry. Our experienced and professional staff can provide thorough point-of-sale hardware and software troubleshooting, training and consultation. This assures all merchants that someone will help no matter the time of day or the system platform. Any merchant may call Central Payment's Customer and Technical Support Center at any time at 1-800-449-8012.

### VOICE AUTHORIZATION PROCEDURES

USE THE VOICE AUTHORIZATION PROCEDURES BELOW WHEN:

- You are unable to obtain an authorization through your point-of-sale terminal
- You receive the message "Call Center" on your point-of-sale terminal
- You process paper transactions (non-electronic)

PLEASE FOLLOW THESE PROCEDURES WHEN CALLING FOR A VOICE AUTHORIZATION:

1. Call the Voice Authorization Center at:

|                  |                |
|------------------|----------------|
| Visa/MC/Discover | (800) 291-4840 |
| AMEX             | (800) 528-2121 |



2. Have the following information ready to give to the operator:
  - Your merchant identification number (enter your 8 digit number).
  - Cardholder account number
  - Dollar amount of the sale
  - Card expiration date
3. The operator will respond with an authorization number. Record this number and the credit card # on the sales draft, or enter it into the terminal (refer to your Quick Reference Guide for proper procedures).
4. Obtain a manual imprint of the card on the sales draft and have the customer sign (if you do not have a terminal that produces a slip for signature).
5. If you obtained a voice authorization due to terminal malfunctions, hold all drafts until your replacement terminal arrives, then enter all transactions using the off-line function key (refer to your Quick Reference Guide for proper procedures).

You will find a voice authorization sticker in your start-up kit that includes the telephone number to call and your merchant number. If you have any questions regarding this procedure or experience any difficulties, please call Central Payment's Customer and Technical Support Center at any time at 1-800-449-8012.

## **ADDING OTHER CARD TYPES**

To add other card types other than what you may accept already, just contact Customer Service at 1-800-449-8012.

## **CHANGE OF BANK ACCOUNT, NAME, OR ADDRESS**

For your protection this type of request must be submitted in writing and signed by the person who signed the merchant agreement with Central Payment.

Your merchant name and merchant number must be included on the request. If changing your checking account number, you must also include a voided check on the new depository account.

The request may be mailed to: 2350 Kerner Boulevard, Suite 300  
San Rafael, CA 94901

Or fax to: 1-866-908-4707

All changes will take a minimum of 24-48 hours to process once they are received at Central Payment.

Note: There is no charge for this service.

To prevent a delay in deposits, **DO NOT** close your existing bank account until the new account changes have been processed.

Note: If you are using the following services, you will need to contact these companies to inform them of the changes. Please call these numbers for assistance:

AMERICAN EXPRESS 1-800-528-5200



### EQUIPMENT REPLACEMENT

Central Payment sells the most reliable equipment in today's marketplace. In the unlikely event that your point-of-sale (POS) equipment malfunctions and our help desk is unable to fix the problem, we proudly offer a full replacement service to help keep your business running smoothly.

If your equipment (which was either purchased or leased through Central Payment and its Account Executives) is deemed inoperable by our help desk and is under the Equipment Warranty Plan, we will send out a replacement terminal to you. Only a shipping and handling fee will be assessed. Whether the manufacturer's warranty has expired, or you did not acquire the equipment through Central Payment and its Account Executives, the Equipment Warranty Plan will allow your equipment to be protected and covered.

Warranty options on new equipment may vary depending on the manufacturer, model and type. The following items are not covered under warranty:

- Flood, Fire, or Other Natural Disasters
- Mishandling of Equipment
- Spilled Substances
- Electrical Damage (Power surges are not covered—use a surge protector)
- Theft



## **PROTECTING YOUR BUSINESS FROM FRAUD**

All card transactions should be electronically read (swiped). Numbers displayed on the terminal or receipt should be checked against those embossed on the card being presented for payment. If your terminal does not display the card number when swiped, please contact Central Payment's Technical Support at 1-800-449-8012 so they can update your terminal with this free fraud protection software.

- If a card cannot be electronically read, an imprint must be made of the card.
- Verify signature on receipt with signature on the back of the card presented.
- Do not accept a card that appears to be physically altered.
- Never process transactions from another business through your terminal.
- Do not accept card numbers over the phone for sales (unless you have been pre-approved by Central Payment to do so).
- Keep accurate records of all transactions.
- Be cautious of people making out of the ordinary purchases.

If you suspect that a transaction is fraudulent, call your voice authorization center immediately and instruct the operator that you are calling in a CODE 10 authorization. The operator will walk you through the necessary steps.

There are times when your terminal or our voice operator may instruct you to take or "pick-up" the card from the cardholder. This request is generally initiated because the card has been reported lost or stolen.

**AVOID ANY CONFRONTATION WITH THE CARDHOLDER!!!**

## **MERCHANT OBLIGATIONS AND PROCESSING SUGGESTIONS**

*Below is a list of your obligations when accepting and processing credit card transactions.*

**THE VIOLATION OF ANY OF THE FOLLOWING RULES MAY RESULT IN IMMEDIATE TERMINATION OF YOUR MERCHANT PROCESSING ACCOUNT.**

- Merchant may not under any circumstances accept or process Visa and MasterCard sales for another merchant (business) through his/her credit card terminal. This is known as factoring of tickets, and it is illegal.
- Merchant cannot enter by hand transactions in excess of the percentage stated on their merchant agreement without the written consent of Central Payment.



## CHARGEBACK AND RETRIEVAL PROCEDURES

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- Merchant cannot deposit any transactions for the purpose of obtaining or providing a cash advance.
- The merchant account should be activated within ninety (90) days of issuance of the merchant number, and should not be inactive for over ninety (90) days without notifying Central Payment.
- Merchant cannot impose a surcharge on credit card transactions.
- Merchant cannot require a cardholder to provide additional identification or information when a credit card is properly presented.
- Merchant cannot require a cardholder to make a minimum or maximum transaction when using a credit card for payment.
- Merchant cannot change the basic nature of his/her business, including selling any products or services not related to the current business, without notifying Central Payment in writing.
- Merchant cannot change ownership or transfer control of business without notifying Central Payment in writing.
- Merchant should obtain an imprint of the credit card when it cannot be swiped through the credit card terminal.
- Merchant should obtain the cardholder's signature on all sales.
- Merchant should perform a batch transmittal ("close the batch") on his/her terminal daily to transmit transactions promptly to avoid non-qualifying transactions. If a merchant's terminal is programmed to automatically close, the merchant should verify daily that terminal has transmitted all transactions.
- A merchant cannot split a ticket on any transaction.

Central Payment monitors your merchant processing account daily for exception transactions and may, upon reasonable grounds, suspend the disbursement of funds for any reasonable period of time required to investigate any unusual deposit activity.

### CHARGEBACK AND RETRIEVAL REQUEST PROCEDURES

There are times when a cardholder or their issuing bank may request to see a copy of a sales draft. This is known as a Retrieval Request and must be fulfilled by the merchant within the time frames stated. Failure to do so may cause the item to be charged back or deducted from your account.

In other cases (such as a cardholder dispute) an item may be charged back without a Retrieval Request. Since Visa and MasterCard mandate time frames and requirements, it is important to review the procedures you must follow when addressing these types of situations.

***As always, please contact Central Payment Customer Service if you have questions about these or any other processing-related issues.***

## **BANKCARD CHARGEBACKS**

A chargeback is a transaction that a card issuer returns to a merchant bank – and most often, to the merchant – as a financial liability. In essence, it reverses a sale transaction, as follows:

The card issuing bank subtracts the transaction dollar amount from the cardholder's credit card account. The cardholder receives a credit and is no longer financially responsible for the dollar amount of the transaction.

The card issuing bank debits the merchant's bank for the dollar amount of the transaction.

The merchant's bank will deduct the transaction dollar amount from the merchant's account. The merchant loses the dollar amount of the transaction.

For merchants, chargebacks can be costly. Merchants can lose both the dollar amount of the transaction being charged back and the related merchandise. Merchants may also incur other internal costs for processing the chargeback. Excessive chargebacks may result in termination of the merchant processing account.

It is important to limit chargebacks. Encourage your customers to contact you first with complaints, and attempt to resolve those complaints.

*The most common reasons for chargebacks and how to resolve them are as follows:*

### **NON-RECEIPT OF REQUESTED RETRIEVAL ITEM**

If the merchant does not supply the requested sales draft, it will result in a debit to the merchant's checking account. This chargeback cannot be reversed.

### **UNAUTHORIZED MAIL ORDER/TELEPHONE ORDER TRANSACTION**

This chargeback is initiated when the cardholder denies that they authorized a sale by mail or telephone. A merchant takes these types of orders at their own risk and would be responsible for supplying a facsimile draft as proof that the order was actually placed. Because there are no signatures involved in these types of transactions, the merchant should keep all records of shipping to assist Central Payment in proving the cardholder initiated the transaction.

### **DUPLICATE PROCESSING**

This chargeback is initiated when a cardholder is charged two or more times for a transaction authorized only once. This chargeback may be reversed if the merchant can supply proof of more than one signed and authorized sales draft, each having different invoice numbers.

### **NON-RECEIPT OF MERCHANDISE**

The cardholder states that they authorized the sale and were billed for the item but never received the merchandise. This chargeback can be reversed if the merchant can supply proof of a shipping receipt that has been signed by the cardholder.

# CHARGEBACK AND RETRIEVAL PROCEDURES

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## **MISSING SIGNATURE/MISSING IMPRINT**

If a sales draft is missing a signature or card imprint, the issuing bank has a right to charge back this item. It is the responsibility of the merchant to ensure the cardholder signs all sales drafts or terminal slips, and that any draft is imprinted (unless the card was swiped) with the credit card number. The signature should be checked against the signature on the back panel of the card. Every hand-keyed transaction requires an imprint of the card.

If Central Payment feels that the chargeback is valid, the merchant's checking account will be debited for the amount of the sale. A Chargeback Adjustment Advice along with any documentation that would verify the dispute would be mailed to the merchant the same day the debit is processed.

## **BANKCARD CHARGEBACK REVERSALS**

A merchant may request that a chargeback be reversed if they feel the dispute is invalid. This is accomplished by supplying the documentation requested on the Chargeback Rebuttal Letter. In some instances, a written rebuttal from the merchant is necessary (explaining the circumstances of the sale) if they do not agree with the cardholder's letter of dispute.

Documentation to reverse this chargeback must be mailed or faxed to Central Payment before the date specified on the Chargeback Retrieval Letter. It is important to include the debit advice with your rebuttal.

Upon receipt of the merchant's rebuttal letter, Central Payment will determine if there is enough documentation submitted to reverse the chargeback on behalf of the merchant. If there is, the chargeback will be reversed to the cardholder's bank. The merchant's checking account will be credited for the amount of the sale the same day it is reversed.

NOTE: Timeliness is essential when attempting to remedy a chargeback. Each step in the chargeback cycle has a defined time limit during which action can be taken. If the merchant or the bank does not respond during the time specified on the request – which may vary depending on the merchant bank – the merchant will not be able to remedy the chargeback.

## **COMPLIANCE CASES**

If an issuing bank, MasterCard, or Visa feel that a merchant has not complied with the rules and regulations set forth by the associations, a pre-compliance case is initiated to Central Payment explaining the rule violation that has taken place. An example would be surcharging fees to the customer for using a credit card in the merchant's establishment.

The merchant will be sent a letter of explanation and supporting documentation covering the violation and explaining any fees or penalties, which could be imposed by MasterCard or Visa. Should the merchant fail to correct the violation, fees or penalties could be assessed, and/or the merchant could be terminated from the card program.

