



User Guide for Interchange Optimization Program

Step-by-step guidance for specifying default values for Level III fields to qualify for interchange savings.

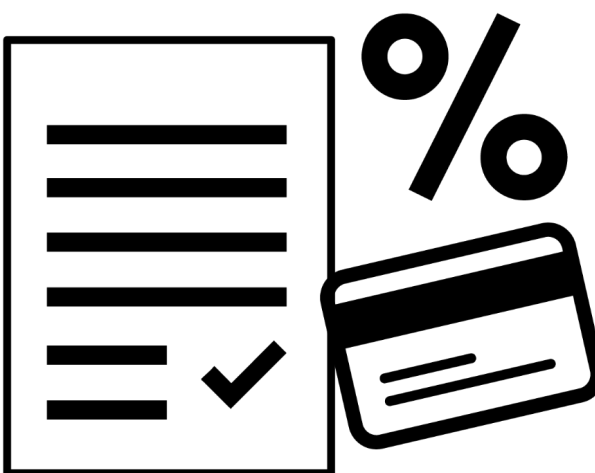


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Key Contacts

Information/Assistance	Contact Information
<p>Assistance with setup of Interchange Optimization.</p> <p>Questions about your MerchantE account or billing, contact MerchantE Customer Care.</p>	<p>Help@merchantE.com or your MerchantE Account Manager</p>
<p>Questions about how to setup and use any of MerchantE's other services.</p>	<p>MerchantE User Guide Library</p>

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Introduction

Interchange is the fee Visa and Mastercard charge to cover handling, fraud and bad debt costs. Varying widely across card types and how cards are processed, business, corporate, purchasing and fleet cards are assessed some of the highest interchange fees. However, Visa and Mastercard offer a program to reduce the cost associated with these transactions, by defining incremental transaction details to be submitted at time of payment processing. Supplying more data reduces transaction risk, so the interchange assessed by Visa and Mastercard can be lower. For businesses with high value transactions or high volume of eligible transactions, those savings can be considerable.

Providing all of the required data, which varies by card brand and type, can be challenging for businesses to pass correctly. That’s why MerchantE (ME) developed our Interchange Optimization Savings Program to facilitate your submission of the required data with every eligible transaction. Participating in MerchantE’s (ME) Interchange Optimization Savings Program can help your business save money by ensuring that you are able to provide the required data with each eligible B2B card transaction processed.

The more data you provide, the more savings you can realize. With the MerchantE Interchange Optimization Program, you can save as much as \$4.00 for every thousand dollars in charge volume. If you have large ticket sales, the savings can really add up!*

Qualifying for better interchange rates requires that you submit transactions containing data for Level I, II and III data. Common transactional level data typically includes the following:

Level I - Basic Retail	Level II - Order Detail	Level III - Comprehensive Line Item Detail
<ul style="list-style-type: none"> • Account Number • Authorized Amount • Expiration Date • Card Verification Value (CVV) • Zip Code 	<ul style="list-style-type: none"> • Level I Data • Sales Tax Indicator / ID • Sales Tax Amount • Invoice Number / Customer Code 	<ul style="list-style-type: none"> • Level I & II Data • Freight / Shipping • Line Item Description, Quantity, Unit & Extended Price • Discount • VAT

Level III data listed above is representative. It does not list all the required information, which can vary by card brand.

*Eligibility for savings may depend on your pricing structure

Preparing to Provide Your Default Values

Specify default values that will be used to automatically populate these fields in instances when data is insufficient or absent during processing. Use the Worksheet below to gather your default values. When ready, you will input the data into the MerchantE Reporting Portal.

The Planning Worksheet with fillable “Default Value” fields can be found at the end of this User Guide.

Order Information

Field Name	Explanation	Maximum Characters	Default Value
Discount Amount	Discount amount in dollars included in the total transaction order amount (cannot be negative).	10	
Duty Amount	Dollar amount of any import or export duty included in the total transaction order amount.	10	
Invoice Number	Invoice number or customer code for the order.	7	
Merchant Tax ID	Your merchant tax identification number.	20	
Requester Name	The name of the person requesting the order.	38	
Shipping Amount	Freight, shipping or handling dollar amounts included in the total order amount.	10	
Ship-To Zip Code	Ship-to zip code for the order.	9	
VAT Amount	Dollar amount of Value Added Tax included in the total order amount.	10	

Line Item Information

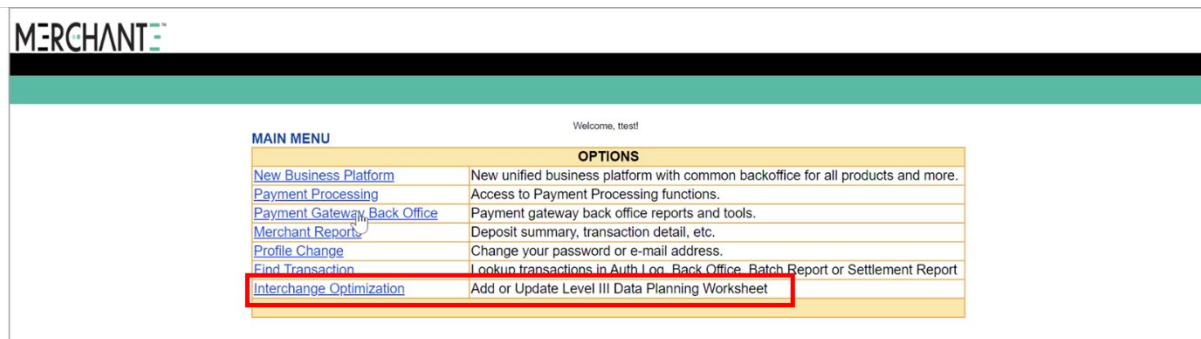
Field Name	Explanation	Maximum Characters	Default Value
Commodity Code	Helps segment spending by item; refer to the UN Standard Products and Services Code for help. (Click <i>Export to Excel</i> to see full list)	12	
Descriptor	Text description of the item purchased.	35	
Product Code	Unique product ID code (e.g. inventory number or UPC).	12	
Item Quantity	Unit quantity purchased.		
Unit of Measure	Unit of measure for mass, time, temperature, distance, electrical current and luminosity based on inventory set-up.	12	
Unit Cost	Individual line item unit price.	10	
Discount Indicator	Indicate if line items are discounted - Yes (Y) or No (N).	1	
Discount per Line Item	Dollar amount of any subtracted from the item amount (cannot be negative).	10	
Line Item Total	Total dollar amount for the line item should be calculated using the following formula: (Unit Cost x Item Quantity) - Discount per Line Item	9	
Net/Gross Indicator	Net (N) or Gross (G) indicator indicates if sales tax is included in the line item total.	1	
Debit or Credit	Is extended item amount a Debit purchase (D) or Credit refund (C)?	1	
Tax Amount	Enter the sales tax dollar amount.	10	
Tax Rate Applied	Enter the applicable sales tax rate in percent.	4	
VAT Amount	Dollar amount of any Value Added Tax included in the line item amount.	10	
VAT Rate	Value Added Tax rate in percent.	4	



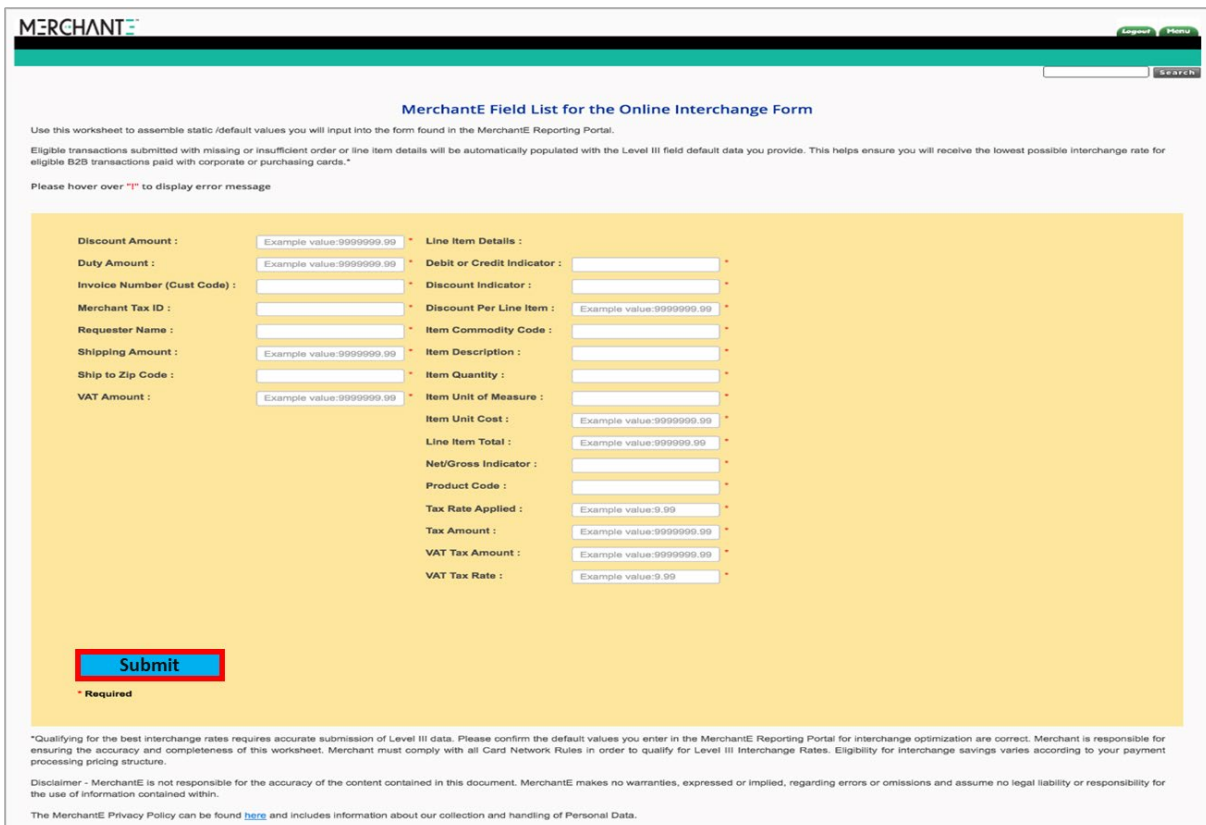
Inputting Your Default Values

After you have received confirmation of enrollment in the Interchange Optimization Program, you can begin to enter the default values that you gathered on your Worksheet. You must have Admin permissions for the MerchantE Reporting Portal to access the form. To enter the default values into the online form.

1. Admin logs in to the MerchantE Reporting Portal (Business Platform)
2. Select “Interchange Optimization” from the Main Menu



3. The online form will open. Input your default values for every field. Click “Submit”



- If you see “!” beside any fields, it indicates an incorrect value was entered. Hover over the ! symbol to see information describing the valid format required by the field.
- Field descriptions are also available for each field by hovering over the field name, where a pop-up message will appear.

Once your entries are submitted, you have completed your setup!

If you have questions while assembling the default values or inputting your information to the MerchantE Reporting Portal, please contact your MerchantE Account Representative or email Help@MerchantE.com.

Program Notes

1. Qualifying for the best interchange rates requires accurate submission of Level III data. You are responsible for ensuring the accuracy and completeness of the default value planning worksheet and proper entry of default values into the MerchantE Reporting Portal.
2. Merchants must comply with all card brand network rules in order to qualify for Level III interchange rates. Eligibility for interchange savings varies according to your payment processing pricing structure.



Interchange Optimization: Level III Data Planning Worksheet

Use this worksheet to assemble static /default values you will input into the form found in the MerchantE Reporting Portal.

Eligible transactions submitted with missing or insufficient order or line item details will be automatically populated with the Level III field default data you provide. This helps ensure you will receive the lowest possible interchange rate for eligible B2B transactions paid with corporate or purchasing cards.*

Order Information

Field Name	Explanation	Maximum Characters	Default Value
Discount Amount	Discount amount in dollars included in the total transaction order amount (cannot be negative).	10	
Duty Amount	Dollar amount of any import or export duty included in the total transaction order amount.	10	
Invoice Number	Invoice number or customer code for the order.	7	
Merchant Tax ID	Your merchant tax identification number.	20	
Requester Name	The name of the person requesting the order.	38	
Shipping Amount	Freight, shipping or handling dollar amounts included in the total order amount.	10	
Ship-To Zip Code	Ship-to zip code for the order.	9	
VAT Amount	Dollar amount of Value Added Tax included in the total order amount.	10	



Line Item Information

Field Name	Explanation	Maximum Characters	Default Value
Commodity Code	Helps segment spending by item; refer to the UN Standard Products and Services Code for help. (Click <i>Export to Excel</i> to see full list)	12	
Descriptor	Text description of the item purchased.	35	
Product Code	Unique product ID code (e.g. inventory number or UPC).	12	
Item Quantity	Unit quantity purchased.	3	
Unit of Measure	Unit of measure for mass, time, temperature, distance, electrical current and luminosity based on inventory set-up.	12	
Unit Cost	Individual line item unit price.	10	
Discount Indicator	Indicate if line items are discounted - Yes (Y) or No (N).	1	
Discount per Line Item	Dollar amount of any subtracted from the item amount (cannot be negative).	10	
Line Item Total	Total dollar amount for the line item should be calculated as follows: (Unit Cost x Item Quantity) - Discount per Line Item	9	
Net/Gross Indicator	Net (N) or Gross (G) indicator indicates if sales tax is included in the line item total.	1	
Debit or Credit	Is extended item amount a Debit purchase (D) or Credit refund (C)?	1	
Tax Amount	Enter the sales tax dollar amount.	10	
Tax Rate Applied	Enter the applicable sales tax rate in percent.	4	
VAT Amount	Dollar amount of any Value Added Tax included in the line item amount.	10	
VAT Rate	Value Added Tax rate in percent.	4	

* Qualifying for the best interchange rates requires accurate submission of Level III data. Please confirm the default values you enter in the MerchantE Reporting Portal for interchange optimization are correct. Merchant is responsible for ensuring the accuracy and completeness of this Worksheet. Merchant must comply with all Card Network Rules in order to qualify for Level III Interchange Rates. Eligibility for interchange savings varies according to your payment processing pricing structure.

¹ Disclaimer - MerchantE is not responsible for the accuracy of the content contained in this document. MerchantE makes no warranties, expressed or implied, regarding errors or omissions and assume no legal liability or responsibility for the use of information contained within.





Interchange Optimization: Supplemental Reference

Order Information

Field Name	Explanation – Additional Definition Information
Discount Amount	Discount amount in dollars included in the total transaction order amount (cannot be negative). This is the order overall Discount amount applied to the sale.
Duty Amount	Dollar amount of any import or export duty included in the total transaction order amount. This is used for cross border fees or charges imposed on the sales order.
Invoice Number	Invoice number or customer code for the order.
Merchant Tax ID	Your merchant tax identification number.
Requester Name	The name of the person requesting the order. (Ship to person)
Shipping Amount	This is the total Dollar amount of any freight, shipping or handling dollar amounts included in the total transaction order amount.
Ship-To Zip Code	The Ship-to zip code for the order.
VAT Amount	The total Dollar amount of any Value Added Tax that is included in the total transaction order amount. The VAT Tax is used for international sale of goods or services in place of sales taxes.



Order Line Item Information

Field Name	Explanation – Additional Definition Information
Commodity Code	Helps segment and manage spending by item. Refer to the UN Standard Products and Services Code page for help. (Click <i>Export to Excel</i> to see entire list at once)
Descriptor	Text description of the item purchased.
Product Code	Unique product ID code (e.g. inventory number or UPC). The Industry standard related product code for the item.
Item Quantity	Unit quantity purchased, how many of this item were sold?
Unit of Measure	Unit of measure for example, pack, bag, box, etc based on inventory set-up. (For NetSuite merchants this should always be defined in the service or sale item inventory set-up.)
Unit Cost	Individual line item unit price. This is the item sales price.
Discount Indicator	Indicate if line items are discounted - Yes (Y) or No (N). This is used to confirm if the discount amount must be populated or provided.
Discount	The total dollar amount of any subtracted \$\$. \$\$ from the item amount (cannot be negative).
Line Item Total	Total dollar amount for the line item should be calculated using the following formula: (Unit Cost x Item Quantity) - Discount per Line Item
Net/Gross Indicator	The Net (N) or Gross (G) indicator specifying if sales tax is included in the line item total. This is used as a flag to indicate the total sale amount includes taxes (Gross) or not (Net).
Debit or Credit Indicator	Is extended item amount a Debit purchase (D) or Credit refund (C)?
Tax Amount	Enter the sales tax dollar amount. This is the tax amount for state and local on the sale of goods or services
Tax Rate Applied	Enter the applicable sales tax rate in percent. This is the tax rate for state and local on the sale of goods or services
VAT Amount	The total dollar amount of any Value Added Tax included in the line item amount. . The VAT Tax is used for international sale of goods or services in place of sales taxes.
VAT Rate	Value Added Tax rate in percent. The VAT Tax is used for international sale of goods or services in place of sales taxes.

The merchant worksheet will require merchant enrollment for the IO Program. Enrolled merchants will then access the actual worksheet from our Business Platform (BP) application to set the defaults values for their company. Merchants will see Error Messages, indicated with ! next to the field, if they enter invalid values in the worksheet fields.

