

Old Effective Rate: 3.40%

Results of "Cost Plus" Pricing

Cards Only Comparison

New Effective Rate¹: 2.80%

You Save \$708.98

1. Annual Savings for Cards Only

- followed by -

Cards & eChecks Comparison

New Effective Rate²: 2.27%

You Save \$1,352.11

2. Annual Savings based on 20% Shift from card to echeck payments

www.mbcmerchant.net

MBC Payment System



MBC Payment System

Our payment systems offers you a great deal more for less than you currently pay to accept electronic payments from your customers.

Features

eCheck Payment Option

Secure Payment Page

ConveniencePay Online Enrollment

Automatic eMail Receipts

PCI Compliant Database

Automate Recurring Billing

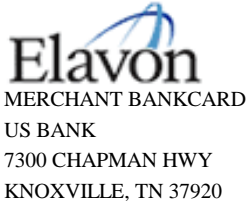
Unlimited Authorized Users

Direct Amex Settlement

"Cost Plus" Group Pricing

Unlimited Support

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Proforma Merchant Billing Statement

Cycle: 000

Statement Date: **May-10**
 DBA Name: **Sample Service Company**
 Store Number: 00000000000
 Merchant Number: 0000000000000
 Chain Number: 00000
 Client Group: 00000
 Principal Chain: 00000
 Parent Chain: 00000
 Parent Entity: 00000

Sample Service Company
John Doe

YOUR ADDRESS HERE
 ADDRESS
 ADDRESS

Your Resources For Help

MBC has distributed processing data furnished by Sample Service Company across Visa, MasterCard & Discover interchange qualification categories based on data compiled from the entire NPMA Group. Item count and dollar distribution may vary from actuals.

Summary

	<u>Number of Items</u>	<u>Dollar Amounts</u>	<u>Fee/Charges Category</u>	<u>Fee Summary</u>
Sales	50	\$10,000.00	Visa/MasterCard/Disc Charges	\$208.84
Returns	0	0.00	American Express	\$47.44
Net Sales	50	\$10,000.00	Card Association Fees	\$9.18
Chargebacks	0	0.00	Authorization Fees	\$7.50
Adjustments	0	0.00	Monthly Service	\$7.50
Total Sales	50	\$10,000.00	Total Charges and Fees	\$280.47

280.47 / \$10,000.00 equals effective rate of ➔ **2.80%**

Deposit Recap

Card TypeSales.....	Credits.....	Net Sales.....		Per Item Paid
	Item Count	Amount	Item Count	Amount	Amount	Discount Paid	
Visa	26	4,838.03	0	0.00	4,838.03	92.82	3.13
MasterCard	13	3,131.34	0	0.00	3,131.34	64.28	1.51
Discover	3	430.63	0	0.00	430.63	9.05	0.25
American Express	8	1,600.00	0	0.00	1,600.00	46.24	1.20

Proforma Merchant Billing Statement

Cycle: 000

Statement Date: Mar-10
 DBA Name: Sample Service Company
 Store Number: 00000000000
 Merchant Number: 0000000000000
 Chain Number: 00000

Visa/ MasterCard/ Discover Charges

Description	Net Sales	Item Count	Interchange Per Item	Interchange Rate	Interchange Dollars
MasterCard - Interchange					
CDATA II B	157.40	1	0.10	2.20%	3.56
CDATA II F	46.71	1	0.10	2.50%	1.19
CDATA II P	45.92	1	0.10	2.40%	1.11
MERIT I	619.89	2	0.10	1.89%	11.88
MERIT 1 DB	401.31	3	0.16	1.64%	7.02
EHN MERITI	599.03	3	0.10	2.04%	12.53
MCW MERIT1	777.03	3	0.10	2.05%	16.24
HV MERIT1	38.25	1	0.10	2.50%	1.00
MWE MERITI	445.79	1	0.10	2.50%	11.28
Total MasterCard					65.79
Visa - Interchange					
CPS NO CARD	216.11	2	0.10	1.80%	4.05
ECOM BASIC	167.09	1	0.10	1.80%	3.07
VSP CNP	365.27	1	0.11	2.40%	8.89
COMM CNP B	448.23	2	0.10	2.25%	10.25
COMM CNP P	240.95	1	0.10	2.55%	6.28
ECOM BS DB	463.78	3	0.15	1.60%	7.84
REWARDS 2	1,780.97	9	0.10	1.95%	35.64
CPS/CNP DB	1,090.81	8	0.15	1.60%	18.59
US COMML2	64.82	1	0.10	2.05%	1.35
Total Visa					95.95
Discover - Interchange					
DISCCOMELC	167.09	1	0.11	2.30%	3.96
DISC CNP P	61.19	1	0.10	2.00%	4.10
DISC CNP	202.35	1	0.12	1.97%	4.12
Total Discover					9.31

Total Interchange **8,400.00** **171.04**

Passed thru to banks who issued cards to your customers

Interchange

1

Description	Total Sales	Item Count	Assessment Per Item	Assessment Rate	Assessment Dollars
MasterCard Assessment	3,131.34	13	0.0185	0.1100%	3.69
Visa Assessment	4,838.03	26	0.0230	0.0925%	5.07
Discover Assessment	430.63	3	0.0075	0.0925%	0.42
Total Assessment	8,400.00				9.18

Passed thru to the appropriate Card Association

2

Description	Total Sales	Item Count	Processing Fee Per Item	Processing Rate	Processing Fee Dollars
Visa Processing Fee	3,283.44	16	0.00	0.45%	14.78
Visa Check Processing Fee	1,554.59	10	0.00	0.45%	7.00
MasterCard Processing Fee	3,131.34	13	0.00	0.45%	14.09
Discover Processing Fee	430.63	3	0.00	0.45%	1.94
Total Processing Fees	8,400.00				37.80

Service Provider processing fee for authorization & settlement

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Summary **218.03**



MERCHANT BANKCARD
 US BANK
 7300 CHAPMAN HWY
 KNOXVILLE, TN 37920

Proforma Merchant Billing Statement

Cycle: 000
 Statement Date: Mar-10
 DBA Name: Sample Service Company
 Store Number: 000000000000
 Merchant Number: 000000000000
 Chain Number: 00000

American Express

Description	DR CR	Sales Amount	Discount Rate	Discount Charges	Item Count	Per Item Rate	Item Charge
SERVICE 35-1255	DB	1,600.00	2.89	46.24	8	0.15	1.20
	CR	-	0.00	0.00	0	0.00	0.00
Summary	DR	1,600.00		46.24	8		1.20
	CR	-		0.00	0		0.00
	NET	1,600.00		46.24	8		1.20

Service Industry Rate for
 American Express



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Other Transaction Charges

Description	DR CR	Sales Amount	Discount Rate	Discount Charge	Item Count	Item Rate	Item Charge
Batch HDR	DR	0	0	0	20	0.00	0.00
	CR	0	0	0	0	0.00	0.00
Summary	DR	0	0	0	20	0.00	0.00
	CR	0	0	0	0		0.00
	NET	0	0	0	20		0.00

Authorization Fees

Description	Items	Rate	Authorization Fees
VISA	26	0.15	3.91
WAT			
MASTERCARD	13	0.15	2.01
WAT			
DISC CREDIT	3	0.15	0.38
WAT			
AXES	8	0.15	1.20
WAT			
Total Authorization Fees:			7.50

Visa/MasterCard/Discover Authorization Fees: 6.30
 ECS Authorization Fees: 0.00
 Amex Card Authorization Fees: 1.20
 Total Authorization Fees: 7.50

Per item fee for each transaction



5

Other Fees

Non Taxable Items

Description	Items	Rate	Totals
MONTHLY SERVICE FEE	1	7.50	7.50

Fixed Monthly Service Fee



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Cards to Cards Cost Comparison	
Cost Comparison	Amount
Total Electronic Payments Received During Statement Period	\$10,000.00
Current Cost thru Current Provider	\$339.55
Compared to "Cost Plus" Program for NPMA	\$280.47
Monthly Cost Reduction	\$59.08
Annualized Savings (before shift to eChecks)	\$708.98

- followed by -



@ 20% Shift From Cards to eChecks			
Payment Method	Cards	eChecks	Blended
% of Payments	80%	20%	100%
# of Payments	40	10	50
Avg Payment	\$200.00	\$200.00	\$200.00
Effective Rate	2.80%	0.13%	2.27%
Cost Per Pymt	\$5.61	\$0.25	\$4.54
Total Cost	\$224.37	\$2.50	\$226.87
Monthly Cost Reduction			\$112.68
Annualized Savings (after shift to eCheck)			\$1,352.11

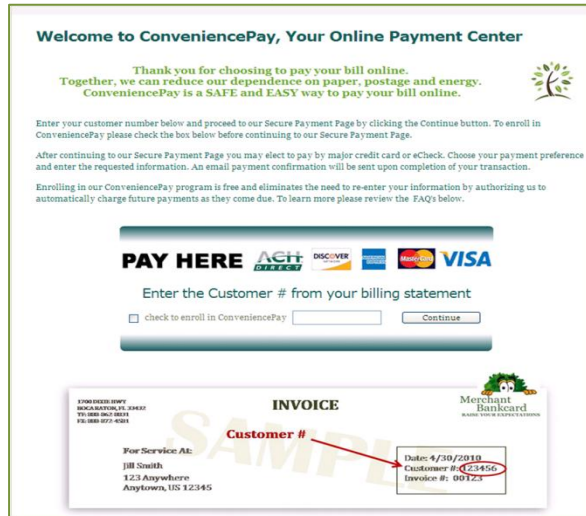
GOAL
ConveniencePay & SecurePay are highly effective tools designed to help you achieve this goal.

ECHECK IMPACT ON EFFECTIVE RATE			
Percent Shift in Payment Method	Effective Rate	Cost Per Sale	Annual Savings
MBC @ 10% Shift to eCheck	2.54%	\$5.07	\$1,030.54
MBC @ 20% Shift to eCheck	2.27%	\$4.54	\$1,352.11
MBC @ 30% Shift to eCheck	2.00%	\$4.00	\$1,673.67

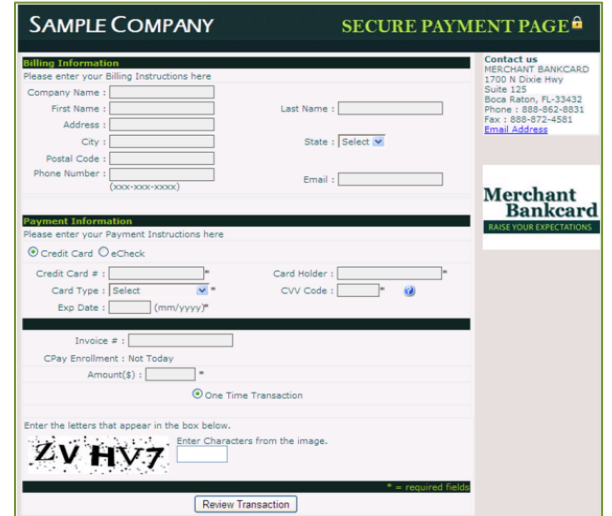
Custom Introduction Letter



ConveniencePay Online Enrollment



SecurePay Payment Form



Steps to Implement

- ☑ Establish Elavon Merchant Account
- ☑ Establish or Convert American Express Merchant Account
- ☑ Establish ACH Direct Merchant Account
- ☑ Configure Sample Service Company Secure Payment Page
- ☑ Forward ConveniencePay Online Enrollment Text, Images & Code to Web Designer
- ☑ Configure Virtual Terminal, Set-up Users & Build eMail Receipts
- ☑ Customize ConveniencePay Introduction Letter for Sample Service Company
- ☑ Schedule & Train Personnel to Use Virtual Terminal Functions
- ☑ Complete PCI-DSS Compliance Questionnaire & Schedule Quarterly Gateway Scan
- ☑ Provide Unlimited Support to Sample Service Company Personnel

Implementation typically takes two weeks from start to finish

Cost Plus Program Pricing

One-Time & Annual		Fixed Monthly		Transactional	
Gateway Set-Up & Training	\$195.00	Elavon Monthly Service	\$7.50	Visa, MC & Disc - Cost +	0.45%
Gateway Annual Renewal	\$0.00	Gateway Monthly Access	\$20.00	Amex Discount Rate	2.89%
¹ Annual PCI Compliance	\$175.00	Secure Payment Page Hosting	Included above	eCheck Discount Rate	0.00%
Service Provider Termination Fee		PCI Certified Customer Database	Included above	Card Authorizations	\$0.15
² Elavon Year 1	\$295.00	Monthly Minimum Cards	\$0.00	eCheck Authorizations	\$0.25
² Elavon Year 2 & 3	\$195.00	Monthly Minimum eChecks	\$0.00	eCheck Returns	\$0.35
ACH Direct (eChecks)	\$0.00	ACH Direct Monthly Service	\$0.00	Gateway Per Item	\$0.05
PaymentsGateway	\$0.00	Unlimited Support	\$0.00	Batch Settlement	\$0.00

¹ Annual PCI Compliance Fee is waived during first year. Please visit www.mbcmerchant.net/pci to learn more about this uniform requirement.

² Early Termination Fee applies to Elavon only as Processing Rates are Guaranteed for the Three Year Term of Your Merchant Agreement.

Savings Recap

Sample Service Company	
Current Provider Effective 1	3.40%
MBC ER Cards Only	2.80%
MBC ER @ 20% eCheck	2.27%
Effective Rate Reduction	1.13%
Cost Reduction	33.2%

Average Payment	
Total # of Payments	50
Total Payment Dollars	\$10,000.00
Average Payment	\$200.00
Cost Per Payment	
Current Provider Effective 1	3.40%
MBC ER @ 20% eCheck	2.27%
Current Provider Cost	\$6.79
MBC Cost	\$4.54
Savings Per Payment	\$2.25

Group Experience



NPMA Group Case Study			
Dec-09	Items	Dollars	Cost
eChecks	341	26,200	\$85
Cards	1,939	237,727	\$6,381
Total	2,224	249,291	\$6,164
Effective Rate Prior to Joining MBC			3.44%
Effective Rate for December 2009			2.47%
Impact to Group Bottom Line			\$2,487



Individually; each firm in this group saved an average of \$248.70 in processing costs during the month of December 2009. In addition to these savings, the group experienced significant reductions in the cost of printing & postage by discontinuing statement drops to customers enrolled in the ConveniencePay Program.

"Without a doubt; this is the best business decision I made in 2009!"

- Brad Parker, Parker Pest Control