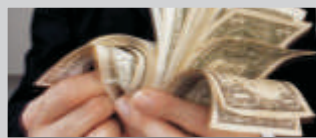


Product and Service Guide

M



Credit/Debit Card Processing



Debit Card Cash Back Services



Gift and Loyalty Card Programs



Pre-Paid Wireless and Cell Phones



Check Guarantee and Conversion



Payroll Guarantee Services



Bill Payment Services



Full-Service ATM Machines

Improve Consumer Loyalty • Increase Sales
Generate New Foot Traffic To Your Store
Improve Customer Service
Strengthen Employee and Vendor Relationships



MSG Mission Statement

- Build strong partnerships with the industry's best and most successful value-added service providers
- Provide efficient money-making opportunities so your business can grow
- Provide innovative, cutting-edge technology & equipment
- First-class, multilingual customer service and support
- Provide the best customer experience with an in-house customer service department staffed by industry trained and experienced employees
- Care for our customers passionately with fast response times and personal, local service and support



Customer Service Values

We provide excellent service. We will impress our customers with the quality and timeliness of our services in a pleasant and friendly manner.

We are honest and straightforward. We will provide a genuine and consistent contribution each day and we will act with honor and goodwill.

We practice teamwork. We will search for opportunities to support our co-workers to create service delivery efficiencies.

We value our customers. We will treat everyone we encounter as we wish to be treated, with integrity and respect.

We welcome innovation and change. We will encourage and support employee innovation, creativity, and adaptability to change.



MSG Core Values

Accountability -- Be responsible for your actions.

Integrity -- Be honest with our day-to-day activities and do the right thing all the time.

Leadership -- Set the example and take the initiative at all levels in a timely and decisive manner.

Quality -- Take pride in your work by doing the best you can.

Respect -- Be cooperative by being sensitive to others needs.

Safety -- Above all things know your job and limitations; perform in a safe manner.



What We Do

Merchant Service Group (MSG) provides the best-in-class electronic payment processing, electronic check processing, and value-added products and services!

MSG also enables its merchants to earn additional monthly revenues by becoming an authorized reseller for industry leading value-added service providers.

Competitive Advantage

1. We are partners with the leading value-added service providers so we can provide your business with more than just credit card processing, but value-added services to help increase your sales.
2. Our Visa and MasterCard rates are one of the lowest in America backed with our new low rate analysis guarantee.
3. Our processing rate for VISA and MasterCard debit cards is 0% with a nominal flat transaction fee.
4. MSG' state-of-the-art check processing systems use the latest check conversion technology available.
5. MSG' wireless terminal is the newest mobile credit card processing terminal available. It's perfect for the mobile merchant.
6. MSG can work with businesses that have weak or poor credit histories. Banks typically won't touch these businesses because of the perceived risk factor.
7. MSG sells or leases only high-tech, smart card compatible processing terminals that are PCI compliant.

Markets We Serve

Retail Storefront

The acceptance of all major credit cards is a key factor in the satisfaction of your customers. Merchant Service Group will provide your retail storefront with processing solutions to accommodate them. We offer the widest selection of Credit Card processing products and solutions. MSG will provide the services necessary to meet your needs no matter your size or industry. There are many benefits to allowing Merchant Service Group to set up your merchant account, below are just a few.

Quick Service Restaurants (QSRs)

A payment revolution has exploded in the QSR market with many of the major chains accepting credit cards and PIN-secured and signature debit cards as payment. Merchant Service Group has a payment processing program to fit the needs of quick service restaurants so, accepting any form of payment is faster, easier and more convenient for your customers.

Restaurants

Merchant Service Group can provide your restaurant with an array of terminal solutions for your specific needs. Whether you own a small diner, a fine dining establishment or a specialty shop we offer processing features for the restaurant industry that will support all major credit and debit cards.

Markets We Serve

Wireless Merchants

Today's businessperson isn't always in a store, especially if his or her business is a delivery, limousine or taxi service; a home repair contracting company; or participates in fairs. These merchants need business equipment that they can take with them on the road.

Phone / Mail Order

Merchant Service Group can easily help you establish a merchant account for your telephone orders. Card-not-present transactions in which you never take physical possession of your customers credit card require a special merchant account. Most credit card companies use special criteria to assess risk and have a different fee structure for these types of accounts. Merchant Service Group will provide you with software that you install on any PC with an Internet connection. You can also manually enter credit card numbers through a credit card terminal.

E-Commerce

To compete in today's aggressive online e-commerce environment, merchants need a fast and secure payment processor they can trust to gain and maintain a competitive advantage. Processing credit cards over the Internet is one of the fastest growing segments of transactions today. This type of transaction or "card-not-present" transaction requires a special type of merchant account. Most credit card companies use special criteria to assess risk and they have a different fee structure because you never physically see the card.

Markets We Serve

Service Business

Merchant Service Group will provide a processing solution that meets your particular needs. Whether your business operates from a permanent location, your clients home or on the road. Our wireless point-of-sale terminals are perfect for businesses that operate in walk-in locations.

Hotels/Lodging

Merchant Service Group can provide many features and benefits to meet the needs of hotel management. The hotel and lodging industry encounter many unique situations. The lodging merchant must offer processing solutions to accommodate front desk management along with back office operations. Merchant Service Group can provide these solutions in compliance with MasterCard®, Visa®, and American Express® standard lodging requirements. Below are some features that our systems will provide.

B2B

Merchant Service Group is a market leader in the processing of card based business-to-business payments. We enable your customers to replace paper order processes by accepting credit cards as payment for goods and services. Merchant Service Group offers the capabilities to process all levels of Visa® and MasterCard® credit card transactions as well as large ticket items.

Markets We Serve

Gas stations and convenience stores

Merchant Service Group provides comprehensive payment solutions designed for independent gas stations and convenience stores that are no longer affiliated with the larger branded gas companies. We understand the intricacies of operating an independent gas station as well as the benefits they offer the marketplace.

Health & Beauty

The growth of health spas and beauty salons is not only bringing in more customers, it is bringing more of a demand for alternative payment options.

Tradeshows & Craft Fairs

We provide complete processing solutions for the unique needs of the traveling vendor with wireless, keyed-in and phone-in options

Financial Institutions

We at Merchant Service Group know how important attracting profitable customers and maintaining long-term relationships are to your financial institution. Merchant Service Group provides banks with full-service support via a dedicated staff and customer support team.

**WHY
ACCEPT
CREDIT
CARDS?**

TOO MANY REASONS TO IGNORE!

**WE
GLADLY
ACCEPT**



More Sales

Studies show that credit card customers spend 2 1/2 times more than customers who only carry cash. Turn your website into a money making storefront.

Impulse Buying

Credit cards give customers freedom to spend for previously unplanned purchases. Make it easy for your customer to buy from you online.

Sell More Expensive Merchandise

Credit cards entice customers to purchase more expensive merchandise than they had originally planned to buy.

Enhanced Advertising

Since customers are more likely to shop at businesses where they have credit card acceptance, they tend to look for and read those ads first. Accepting credit cards online increases the credibility of your business.

**A MERCHANT ACCOUNT IS KNOWN
TO HELP INCREASE YOUR
BUSINESS VOLUME BY 30-100%**

MORE REASONS TO ACCEPT CREDIT CARDS!

**WE
GLADLY
ACCEPT**



Steadier Sales

Credit smoothes out business peaks. Cash shoppers buy heavier on paydays and just before holidays; credit card customers buy whenever the need arises.

Competitive Weapon

Credit card customers are often less conscious of slight price differences and will seek out businesses that offer credit card payment options.

Customer Loyalty

Research shows customers who spend more on credit tend to return to the same business again.

Make Money While You Sleep

With your commerce enabled website, you can sell products around the clock, every day of the week, automatically, and without having a clerk running the store.

Level the Playing Field

On the internet, no one knows you are a small business. Look and compete with the big guys!

**A MERCHANT ACCOUNT IS KNOWN
TO HELP INCREASE YOUR
BUSINESS VOLUME BY 30-100%**

Benefits of Accepting Credit Cards

- 1. Accepting credit cards will often double...** even triple your current sales. Studies show businesses that accept credit cards can see a huge increase in volume... almost overnight.
- 2. It will legitimize your business.** Studies show that when you display credit card logos as forms of payment you accept, these logos create a sense of 'trust' in your customers mind, and if they trust you, your customers will buy from you.
- 3. A merchant account improves cash flow.** Accepting cards has a huge positive effect on business cash flow. Even if sales don't increase (and they almost always do) your business will benefit by having the money from the credit card sale instantly delivered to your bank account. No more waiting for check to clear, or sending out time consuming invoices, waiting for payment. With credit cards you get your money from your customers quickly and easily.
- 4. Over 90% of web purchases are made using credit cards.** If you are selling ANYTHING on the web and you are not accepting credit cards, you are eliminating 90% of your potential buyers.
- 5. Grabs Impulse buyers.** Credit card holders buy more on impulse, are more affluent, and buy 2.5 times more merchandise than non-card holders.

Benefits of Accepting Credit Cards

6. Convenience. Let your customer decide the most convenient way to buy from you. Many customers want to use credit cards because of reward points or reward miles associated with their credit card. Customers are more likely to buy from a business that accepts credit cards than one who does not. Don't lose a customer to a competitor just because you don't accept credit cards.

7. Larger orders. The average order size of someone paying via credit card tends to be larger than someone paying by cash or check. And larger orders = more profit. In addition, customers paying by credit card tend to place extra orders and order more often.

8. Competition. Your competition is already accepting credit cards. You need to accept cards in order to survive.

9. A merchant account is inexpensive. Gone are the days of high rates and fees. Today's credit card processing rates are so low even the smallest mom and pop outfit can easily accept credit cards. In fact, usually the increase in sales a business receives when they do accept credit cards more than covers the small costs involved. As a result, by accepting credit cards many businesses make more money!

10. Quick and easy setup. Many businesses think getting setup to accept credit cards is a long and tedious process. No more! Most of the time you can be up and running within 24 - 48 hours. If a provider tells you otherwise, go somewhere else!

Product and Service Guide

WE'RE CONNECTED TO VIRTUALLY EVERY CARD PAYMENT NETWORK...



Merchant Service Group, Inc.

**THE NUMBERS TELL THE STORY!
ACCEPTING PLASTIC PAYS!**



U.S. Cardholders
= 482 Million

Worldwide Cardholders
= 970 Million

Dollars Spent Worldwide (2005)
= \$1.5 Trillion



U.S. Cardholders
= 208 Million

Worldwide Cardholders
= 353 Million

Dollars Spent Worldwide (2005)
= \$672 Billion



Total Cardholders
= 50 Million

Dollars Spent Worldwide (2005)
= \$97 Billion



Total Cardholders
= 51 Million

Dollars Spent Worldwide (2005)
= \$234 Billion

CREDIT CARD & CHECK CASH FLOW SYSTEM & HOW IT WORKS



STEP ONE

The cardholder makes a purchase at the merchant's store, over the phone, or via the internet.



STEP TWO

The MERCHANT processes the credit card sale through their credit card terminal or processing software.



Visa/MC = 48 Hours
Amex = 72 Hours
Discover = 48 Hours
Online Checks = 6-8 Days

STEP THREE

The MONEY travels electronically through the proper networks.



STEP FOUR

The money is electronically deposited in the merchants BANK ACCOUNT.



STEP FIVE

The MERCHANT can now spend the money for their business expenses, payroll, etc.

**ASSUMING YOUR SALES VOLUME
IS CURRENTLY \$5,000 WITHOUT
TAKING CREDIT CARDS**

Current Sales Volume = \$5,000
Less 50% Estimated Cost of Goods \$2,500
= \$2,500.00 PROFIT

**ASSUMING A MODEST 20% INCREASE
IN SALES BY TAKING CREDIT CARDS**

Current Sales Volume = \$5,000 + 20% Increase
= \$6,000 New Sales Volume
Less 50% Estimated Cost of Goods \$3,000
= \$3,000.00 Gross Profit
Less All Estimated Fees (\$100)
(Includes Discount Rate, transaction fees, Monthly Min, Statement Fees, and Gateway Fees)
= \$2,900 Net Profit

**BY TAKING CREDIT CARDS TODAY, YOU WILL
INCREASE YOUR BOTTOM LINE BY
\$400 PER MONTH OR \$4,800 PER YEAR**

**ASSUMING A MODEST 30% INCREASE
IN SALES BY TAKING CREDIT CARDS**

**Current Sales Volume = \$5,000 + 30% Increase
= \$6,500 New Sales Volume
Less 50% Estimated Cost of Goods \$3,250
= \$3,250.00 Gross Profit**

Less All Estimated Fees (\$150)
(Includes Discount Rate, transaction fees, Monthly Min, Statement Fees, and Gateway Fees)

= \$3,100 Net Profit

**BY TAKING CREDIT CARDS TODAY, YOU
WILL INCREASE YOUR BOTTOM LINE BY
\$600 PER MONTH OR \$7,200 PER YEAR**

**SO AS YOU CAN SEE, ACCEPTING CREDIT
CARDS COSTS YOU \$0 AND ONLY MAKES
YOU MORE MONEY. GET STARTED TODAY!**

WHY YOU SHOULD ACCEPT THE DISCOVER CARD



Because the Discover Card has 50 million members who spent \$97 Billion last year

**One in 5 Americans
carry the Discover Card**

For a one time setup fee of just \$25 and no extra monthly minimums, taking Discover is a smart thing to do. Rates vary based on your type of business but are very comparable to your Visa and Mastercard Rates.

DISCOVER CARD RATES

Retail Businesses

Average ticket \$00 to \$20, your rate is 2.52% + 10 cents
Average ticket \$21 to \$30, your rate is 2.22% + 10 cents
Average ticket \$31 to \$50, your rate is 1.99% + 10 cents
Average ticket \$51 to \$70, your rate is 1.86% + 10 cents
Average ticket \$71 to \$90, your rate is 1.80% + 10 cents
Average ticket \$91 to \$120, your rate is 1.77% + 10 cents
Average ticket \$121 to \$150, your rate is 1.73% + 10 cents
Average ticket \$151 and above, your rate is 1.69% + 10 cents

Internet & Out-of-Home Businesses

Average ticket \$00 to \$20, your rate is 2.97% + 10 cents
Average ticket \$21 to \$30, your rate is 2.67% + 10 cents
Average ticket \$31 to \$50, your rate is 2.44% + 10 cents
Average ticket \$51 to \$70, your rate is 2.31% + 10 cents
Average ticket \$71 to \$90, your rate is 2.25% + 10 cents
Average ticket \$91 to \$120, your rate is 2.22% + 10 cents
Average ticket \$121 to \$150, your rate is 2.18% + 10 cents
Average ticket \$151 and above, your rate is 2.14% + 10 cents

Restaurant Businesses

Average ticket \$00 to \$20, your rate is 2.18% + 10 cents
Average ticket \$21 to \$30, your rate is 1.93% + 10 cents
Average ticket \$31 to \$50, your rate is 1.73% + 10 cents
Average ticket \$51 to \$70, your rate is 1.62% + 10 cents
Average ticket \$71 to \$90, your rate is 1.57% + 10 cents
Average ticket \$91 to \$120, your rate is 1.55% + 10 cents
Average ticket \$121 to \$150, your rate is 1.51% + 10 cents
Average ticket \$151 and above, your rate is 1.49% + 10 cents

WHY YOU SHOULD ACCEPT AMERICAN EXPRESS CARD



**Because the American Express Card has
51 million members who spent \$234
Billion last year**

**14 Million American Express cardholders carry only the
American Express Card**

American Express Offers 2 Plans:

Discount Rate - Using this plan, you only pay American Express a small percentage of each transaction your customers make with the Card. There is no set monthly fee. Rates start at 2.95% to 3.75%

Flat Fee - Eligible merchants pay a monthly flat fee of \$5, with no additional charges. Unlike the discount rate pricing plan, you do not pay an amount for each American Express sale. Businesses must have less than \$5,000 in annual American Express sales, and submit, authorize, and receive payments electronically to be eligible for this plan.



AMERICAN EXPRESS STATISTICS

Frequent Internet users – 68% of Cardmembers who used the American Express® Card in the past month use the Internet.

Profitable customers – Cardmembers, who made an Internet purchase, spent \$1,268 on average the past year on the Internet.

Higher average charge — Cardmembers' average charge on their American Express® Card is 17% higher than their average charge on other bankcards.

Loyal customers — 37% of Cardmembers who make purchases from mail order catalogs used only the American Express Card in the past three months and no other bankcards. 74% of Small Business Corporate Cardmembers, who spend at Business Service Providers, say they would be likely to switch their Business Service Providers if they did not accept American Express and another did.

Higher retail spending — Cardmembers who shop at Retail Stores spent an average of 31% more than bankcard holders on their last retail purchase.

Purchasing power — Cardmembers who shop at retail stores have an average income of \$83,000.

Business spending — American Express serves more than 70% of the Fortune 500 with its popular Corporate Card.

**APPLYING FOR A
MERCHANT ACCOUNT
IS FAST, SIMPLE,
AFFORDABLE,
WITH 24-HOUR
APPROVAL!**

Merchant Services

Merchant Service Group provides the best-in-class electronic payment processing and value-added products and services to help your business grow!

- Merchant Account
- Free Application
- Same-Day Approval
- Low Rates
- Free Rate Quote
- Free Set-Up & Training
- Free Shipping
- Equipment Leasing
- Personal Service
- 24/7 Toll Free Support
- Receive Funds in 48-Hours
- Visa®
- MasterCard®
- Discover®
- American Express®
- Diners Club
- JCB
- ATM Cards
- EBT Cards
- Debit Cards
- Gift Cards
- Loyalty Cards



\$500

Low Price Guarantee



We are so confident that we provide the lowest prices and best value for the money, that we will pay you to find a better deal.

If we cannot save you money on your credit card processing fees, we will pay you \$500!

Low Price Guarantee

We are so confident that we provide the lowest prices and best value for the money, that we will pay you to find a better deal.

If you find a registered service provider within 30 days of applying offering a lower advertised price on the internet for the same equipment or software along with the same or lower merchant account fees, we'll not only match the price, we'll refund you 10% of the difference. If we cannot save you money on your credit card processing fees, we will pay you \$500!

Merchant Service Group offers a No-Obligation, Cost Savings Rate Analysis and Guarantee:

We will provide you with a detailed outline of the cost savings and service recommendations that can improve your efficiency and increase your profitability. We will review your current credit card processing statements, rates, and fees.

Rates Too High? Hidden Fees?

- Do you feel you may be paying too much for credit card processing?
- Do you understand the transaction fees itemized on your monthly statement?
- Do you know how to identify your hidden costs and fees?

Low Price Guarantee

At no cost or obligation, we will provide your business with a processing statement analysis:

- We will analyze your business and its transaction volume/characteristics.
- We will review your current credit card processing statements, rates, and fees.
- We will assess your current equipment and processing set-up.
- We will provide you with a detailed outline of the cost savings and service recommendations that can improve your efficiency and increase your profitability.
- MSG has no conversion fees, no application fees, and no hidden fees.

For detailed answers to these questions -- and many more -- call today and take advantage of our free rate analysis.

Low Rates and Fees

RETAIL

You will be processing credit card orders at your retail store

Debit/Check Card Rates

1.29% + .25¢

Visa/Mastercard Qualified Rate

1.89% + .25¢

APPLICATION FEE

\$95 Application Fee

MONTHLY MINIMUM

\$25.00 Monthly

STATEMENT FEE

\$10.00 Monthly

MAIL/PHONE

You will be processing wireless credit cards orders via mail/phone

Debit/Check Card Rates

1.29% + .25¢

Visa/Mastercard Qualified Rate

2.39% + .25¢

APPLICATION FEE

\$95 Application Fee

MONTHLY MINIMUM

\$25.00 Monthly

STATEMENT FEE

\$10.00 Monthly

Low Rates and Fees

ECOMMERCE

You will be processing credit card orders at your shopping cart

Debit/Check Card Rates

1.29% + .25¢

Visa/Mastercard Qualified Rate

2.39% + .25¢

APPLICATION FEE

\$95 Application Fee

MONTHLY MINIMUM

\$25.00 Monthly

STATEMENT FEE

\$10.00 Monthly

GATEWAY FEES

\$20.00 Monthly Gateway Fee
+ \$.05 Transaction Fee

WIRELESS

You will be processing wireless credit cards orders on location

Debit/Check Card Rates

1.29% + .25¢

Visa/Mastercard Qualified Rate

2.39% + .25¢

APPLICATION FEE

\$95 Application Fee

MONTHLY MINIMUM

\$25.00 Monthly

STATEMENT FEE

\$10.00 Monthly

WIRELESS NETWORK FEE

\$20.00 Monthly Wireless Fee
+ \$.05 Transaction Fee

Current Fee Schedule

VISA/MasterCard Retail Swiped Transactions	1.89%
VISA/MasterCard Retail Reward Cards	2.13%
VISA/MasterCard Retail Keyed/Corp Cards/Foreign Card	2.94%
VISA/MasterCard 100% Key Entered Transactions (MOTO)	2.39%
Debit/Check Card PIN-Based Transactions	0.0% *
VISA/MasterCard Transaction Fee on Credit Cards	.25 ¢
Debit/Check Card PIN-Based Transaction Fee	.59 ¢
Monthly Service and Statement Fee	9.00
Monthly Minimum Processing Fee	25.00
<u>DEBIT CARD FEES</u>	
Debit Network Monthly Access Fee	\$5.00
Debit Per Transaction Fee	.15 ¢
<u>CHECK PROCESSING FEES</u>	
Check Processing Discount Fee	1.69%
Check Processing Transaction Fee	.25 ¢
Check Processing Monthly Statement Fee	\$10.00
Unlimited Wireless Access Fee (for mobile terminals)	\$20.00

* Flat .35¢ per transaction fee + Network Fees

What We Can Offer You

VISA/MasterCard Retail Swiped Transactions _____

VISA/MasterCard Retail Reward Cards _____

VISA/MasterCard Retail Keyed/Corp Cards/Foreign Card _____

VISA/MasterCard 100% Key Entered Transactions (MOTO) _____

Debit/Check Card PIN-Based Transactions _____

VISA/MasterCard Transaction Fee on Credit Cards _____

Debit/Check Card PIN-Based Transaction Fee _____

Monthly Service and Statement Fee _____

Monthly Minimum Processing Fee _____

DEBIT CARD FEES

Debit Network Monthly Access Fee _____

Debit Per Transaction Fee _____

CHECK PROCESSING FEES

Check Processing Discount Fee _____

Check Processing Transaction Fee _____

Check Processing Monthly Statement Fee _____

Unlimited Wireless Access Fee (for mobile terminals) _____

* Flat .35¢ per transaction fee + Network Fees

Prohibited Businesses

The following types of businesses are not eligible for a credit card merchant account:

- Adult entertainment and materials
- Airports
- Attorneys/bankruptcy
- Auto dealers (used cars)
- Buying and shopping club
- Carpeting (custom)
- Check cashing services
- Collection agencies and debt collection services
- Credit restoration and/or repair services
- Cruise lines
- Direct outbound telemarketing
- Dating services
- Companies with future service liability greater than one year
- Hair loss products
- Investment opportunity
- Membership businesses (longer than one year)
- MLM signup fees and business opportunity
- Products and services with unreasonable guarantees
- Racing: car, horse and dog
- Timeshare rentals
- Travel agencies (selling travel/tour packages)
- Water purifiers

Approval Requirements

Brand-New Business - Documentation and Requirements

- Any advertisement (Yellow page ad, newspaper ad, brochure, price sheets)
- A pre-printed voided check (business or personal checking account)
- Process with us for a 3 year commitment

Existing Businesses (In Addition to Requirements Above)

- Sales Rep must fill out and sign the Site Survey Report section of the merchant application along with a witness signature

Owner/Officer Requirements

- You must operate a legitimate business located within the U.S.
- Have a business checking account (or personal account)
- Must be 18 years of age, and not in a current open bankruptcy
- Make sure your business type is not on our restricted business list.
- Must not have any open bankruptcies on your credit report

Additional Requirements for Bill Payment and Payroll Check Guarantee

- A valid Driver's License
- Business License

Application Checklist

Merchant Account - New Business

- Merchant application paperwork with signatures
- Any advertisement (Yellow page ad, newspaper ad, brochure, price sheets)
- A pre-printed voided check (business or personal checking account)

Merchant Account - New Business

- Provide us with 3 most recent processing statements
- Merchant application paperwork with signatures
- Any advertisement (Yellow page ad, newspaper ad, brochure, price sheets)
- A pre-printed voided check (business or personal checking account)

Equipment Finance Lease

- Lease contract and agreement with signatures

Bill Payment and Payroll Check Guarantee

- A valid Driver's License
- Business License

Product and Service Guide

**SAMPLE
RECEIPTS
AND
AVOIDING
LOSSES**

Merchant Service Group, Inc.

SAMPLE PRINTER RECEIPTS

SALES DRAFT

Merchant Service Group

DATE 03/12/03 TIME 02:46 PM
ITEM: 001 SALE 549.57
ACCT: 4055123456789 9302
RESP: AUTH/TKT 014531

I AGREE TO PAY ABOVE TOTAL AMOUNT
ACCORDING TO CARD ISSUER AGREEMENT

x Jonathan Q. Doe
SIGNATURE

RETAIN THIS COPY FOR YOUR RECORDS

Printed with every card swiped sale that is draft captured. This is acceptable as a valid receipt of the transaction if there is a customer dispute. If the transaction is key entered, an additional imprint of the credit card must be taken to prove the card was present.

RETURN FOR CREDIT

Merchant Service Group

DATE 03/12/03 TIME 02:46 PM
ITEM: 001 SALE 549.57
ACCT: 4055123456789 9302
RESP: RETURN 014531

I AGREE TO PAY ABOVE TOTAL AMOUNT
ACCORDING TO CARD ISSUER AGREEMENT

x Jonathan Q. Doe
SIGNATURE

RETAIN THIS COPY FOR YOUR RECORDS

Used to credit a customers account after a deposit has been made. Must be used when items are returned to insure that the customer's card limit is reinstated. Customer should be informed that credit will show on their account within two billing cycles by their bank.

SAMPLE PRINTER TOTALS

TOTALS REPORT				
423475134513461346 CS19				
DATE 03/12/03		TIME 03:34 PM		
#	NAME	TRAN	COUNT	AMOUNT
1	VISA	S	4	199.00
1	VISA	R	0	0.00
1	VISA	VS	0	0.00
1	VISA	T	4	199.00
2	MASTCARD	S	4	1513.63
2	MASTCARD	R	0	34.95
2	MASTCARD	T	4	1478.68
3	AMEX	S	4	0.00
3	AMEX	R	0	0.00
3	AMEX	T	4	0.00
4	DINERS	S	4	0.00
4	DINERS	R	0	0.00
4	DINERS	T	4	0.00
5	DISCOVER	S	4	0.00
5	DISCOVER	T	4	0.00
5	FDR	S	4	0.00
5	FDR	R	0	0.00
5	FDR	VS	0	0.00
5	FDR	VR	0	0.00
5	FDR	T	4	0.00
DEBITS		T	0	0.00
BATCH CLOSED				
# TRANS: 8				
RESP: CLOSE 1728.43				

DAILY DRAFT SUMMARY BY CARD TYPE

VISA = 1

MASTERCARD = 2

AMEX = 3

DINERS CLUB/

CARTE BLANCHE = 4

DISCOVER = 5

NOT IN USE = 6

WAYS TO MINIMIZE DISPUTES OR CHARGE BACKS

- Purchase an electronic printer
- Always get signature on electronic printer or manual imprinter receipts and compare signature with credit card signature with credit card signature. (This is only applicable for face to face transactions)
- Check valid identification of the customer such as a drivers license
- Compare credit card number on the printer receipt & actual credit card
- On suspicious customers, call authorization center with code 10 procedure
- Use common sense, sell a quality product and take care of your customers

WHY DISPUTES OCCUR?

- Customer doesn't recognize name of the business on their credit card statement
- Unauthorized transaction
- Stolen/counterfeit card transaction

TIPS FOR AVOIDING LOSSES

Please call us before you process any sales substantially larger than your approved average ticket or approved monthly volume. This will help ensure deposit of funds to your checking account in a timely manner.

For mail, telephone or Internet businesses always use the Address Verification Service (AVS) and CVV2. This service will verify the billing address given you is the same address on file with the issuing credit card institution. This greatly reduces the chance of fraud. If the address does not match you may still process the order but are assuming a greater chance of fraud.

For businesses that see their customers, it is important to swipe the credit card thru your terminal and receive a manual imprint of the credit card or signed sales draft. This helps prove the customer purchased the product if there is ever a question about the authenticity of the sale.

Retail businesses with electronic printers should always imprint credit cards if the card reader is unable to read the card and the credit card number must be manually put into the terminal. This again will help protect your business against loss.

Retail merchants who have an electronic printer should compare the number embossed on the front of the credit card with the number printed on the receipt. This will help verify the credit card is authentic. It is also a good idea to ask to see a driver's license and compare the signature on the credit card draft with the signature on the driver's license.

Do not process your own credit card. This is considered a cash advance and is prohibited by Visa and MasterCard regulations.

Do not process other businesses credit card sales through your account. This is called "factoring" and is prohibited by Visa and MasterCard. These transactions are usually fraudulent and could result in financial losses to you.

Do not split a large transaction into smaller transactions on the same card or several different cards. This again is a violation of Visa and MasterCard regulations.

For mail, telephone and Internet businesses it is recommended to use a delivery service where a signature is required and ship to the billing address of the credit card. This will help verify delivery of your product and protect you further against fraud.