

Visa, Mastercard, American Express, and Discover associations periodically review and modify their interchange rate structures and billing strategies. Specific association modifications are beyond our control and will affect all merchant card processors and their customers. Visa, Mastercard, American Express, and Discover card associations have announced changes to their programs and rates effective October 2023. Additional information related to these changes and additions will follow in a separate September memo.

Interchange New Categories:

Interchange Category	New Interchange %	New Interchange Per Item \$
VS InterReg Non Premium Base	1.1000	0.0000
VS REG InterReg Non Premium Base	0.0500	0.2200
VS InterReg Super Premium Alternative	1.9800	0.0000
VS REG InterReg Super Premium Alternative	0.0500	0.2200
VS InterReg Premium Alternative	1.8500	0.0000
VS REG InterReg Premium Alternative	0.0500	0.2200
VS InterReg Non Premium Alternative	1.6000	0.0000
VS REG InterReg Non Premium Alternative	0.0500	0.2200
VS InterReg Business Alternative	2.0000	0.0000
VS REG InterReg Business Alternative	0.0500	0.2200
VS InterReg Corporate Alternative	2.0000	0.0000
VS REG InterReg Corporate Alternative	0.0500	0.2200
VS InterReg Purchasing Alternative	2.0000	0.0000
VS REG InterReg Purchasing Alternative	0.0500	0.2200
VS InterReg Super Premium Downgrade	2.0300	0.0000
VS REG InterReg Super Premium Downgrade	0.0500	0.2200
VS InterReg Premium Downgrade	1.9000	0.0000
VS REG InterReg Premium Downgrade	0.0500	0.2200
VS InterReg Non Premium Downgrade	1.6500	0.0000
VS REG InterReg Non Premium Downgrade	0.0500	0.2200
VS InterReg Business Downgrade	2.0500	0.0000
VS REG InterReg Business Downgrade	0.0500	0.2200
VS InterReg Corporate Downgrade	2.0500	0.0000

Interchange New Categories (Continued):

Interchange Category	New Interchange %	New Interchange Per Item \$
VS REG InterReg Corporate Downgrade	0.0500	0.2200
VS InterReg Purchasing Downgrade	2.0500	0.0000
VS REG InterReg Purchasing Downgrade	0.0500	0.2200
VS InterReg CR Voucher Consumer	1.0000	0.0000
VS REG InterReg CR Voucher Consumer	0.0500	0.2200
VS InterReg CR Voucher Commercial	1.8000	0.0000
VS REG InterReg CR Voucher Commercial	0.0500	0.2200
VS VIN Small Merchant Product 1	1.7300	0.1000
VS VIN Small Merchant Product 2	1.4300	0.1000
VS VT VTR Small Merchant Restaurant	2.1000	0.0000
VS VT VTR Small Merchant Restaurant Min	0.0000	0.0400
VS VS VSP Small Merchant Restaurant	2.6000	0.0000
VS VS VSP Small Merchant Restaurant Min	0.0000	0.0400
VS VIQ Small Merchant Restaurant	2.6000	0.0000
VS VIQ Small Merchant Restaurant Min	0.0000	0.0400
VS VIN Small Merchant Restaurant	2.6000	0.0000
VS VIN Small Merchant Restaurant Min	0.0000	0.0400
VS VT VTR Small Merchant Taxi	2.1000	0.0000
VS VT VTR Small Merchant Taxi Min	0.0000	0.0400
VS VS VSP Small Merchant Taxi	2.6000	0.0000
VS VS VSP Small Merchant Taxi Min	0.0000	0.0400
VS VIQ Small Merchant Taxi	2.6000	0.0000
VS VIQ Small Merchant Taxi Min	0.0000	0.0400
VS VIN Small Merchant Taxi	2.6000	0.0000
VS VIN Small Merchant Taxi Min	0.0000	0.0400
VS VT VTR VS Small Merchant Real Estate	1.4300	0.0500
VS VSP Small Merchant Real Estate	2.1500	0.1000
VS VIQ Small Merchant Real Estate	2.1500	0.0500
VS VIN Small Merchant Real Estate	1.4300	0.0500
VS VT VTR VS Small Merchant Education	1.4300	0.0500
VS VSP Small Merchant Education	2.1500	0.1000
VS VIQ Small Merchant Education	2.1500	0.1000
VS VIN Small Merchant Education	1.4300	0.0500
VS VT VTR VS Small Merchant Healthcare	1.4300	0.0500
VS VSP Small Merchant Healthcare	2.3000	0.1000
VS VIQ Small Merchant Healthcare	2.3000	0.1000
VS VIN Small Merchant Healthcare	1.4300	0.0500
VS VT Small Merchant Advertising	1.5500	0.1000

Interchange New Categories (Continued):

Interchange Category	New Interchange %	New Interchange Per Item \$
VS VTR Small Merchant Advertising	1.7000	0.1000
VS VS Small Merchant Advertising	1.7500	0.1000
VS VSP Small Merchant Advertising	2.3000	0.1000
VS VIQ Small Merchant Advertising	2.3000	0.1000
VS VIN Small Merchant Advertising	1.7500	0.1000
VS VT VTR VS Small Merchant Insurance	1.4300	0.0500
VS VSP Small Merchant Insurance	2.2500	0.1000
VS VIQ Small Merchant Insurance	2.2500	0.1000
VS VIN Small Merchant Insurance	1.4300	0.0500
VS VT Small Merchant Services	1.5500	0.1000
VS VTR Small Merchant Services	1.7000	0.1000
VS VS Small Merchant Services	1.8500	0.1000
VS VSP Small Merchant Services	2.3000	0.1000
VS VIQ Small Merchant Services	2.3000	0.1000
VS VIN Small Merchant Services	1.8500	0.1000
VS VT VTR VS Small Merchant Telecom/Cable	1.4300	0.0500
VS VSP Small Merchant Telecom/Cable	2.2000	0.0500
VS VIQ Small Merchant Telecom/Cable	2.2000	0.0500
VS VIN Small Merchant Telecom/Cable	1.4400	0.0500
VS VIQ Restaurant 2 CR	2.6000	0.0000
VS VIN Restaurant 2 CR Min	0.0000	0.0400
VS VIN Restaurant 1 CR	2.7000	0.0000
VS VIN Restaurant 1 CR Min	0.0000	0.0800
VS VIN Advertising CR	1.7500	0.1000
VS VIN Advertising Non Token CR	1.8500	0.1000
VS VIN Education CR	1.4300	0.0500
VS VIN Education Non Token CR	1.5300	0.0500
VS VIN Healthcare CR	1.4300	0.0500
VS VIN Healthcare Non Token CR	1.5300	0.0500
VS VIN Insurance CR	1.4300	0.0500
VS VIN Insurance Non Token CR	1.5300	0.0500
VS VIN Telecom/Cable CR	1.4300	0.0500
VS VIN Telecom/Cable Non Token CR	1.5300	0.0500
VS VIN Real Estate CR	1.4300	0.0500
VS VIN Real Estate Non Token CR	1.5300	0.0500
VS VIN Taxi 2 CR	2.6000	0.0000
VS VIN Taxi 2 CR Min	0.0000	0.0400
VS VIN Services CR	1.8500	0.1000

Interchange New Categories (Continued):

Interchange Category	New Interchange %	New Interchange Per Item \$
VS VIN Services Non Token CR	1.9500	0.1000
VS VIN Taxi 1 CR	2.7000	0.0000
VS VIN Taxi 1 CR Min	0.0000	0.0800
VS VIN Product 1Tokenized CR	2.1000	0.1000
VS VIN Product 1 CR	2.2000	0.1000
VS Supermarket Tier 0 Rate 3	1.6500	0.0500
VS Retail Tier 1 Rate 4	1.9000	0.1000
VS Retail Tier 1 Rate 5	2.3000	0.1000
VS Retail Tier 2 Rate 4	1.9000	0.1000
VS Retail Tier 2 Rate 5	2.3000	0.1000
VS Retail Tier 3 Rate 4	1.9000	0.1000
VS Retail Tier 3 Rate 5	2.3000	0.1000
VS VIN Travel	2.2500	0.1000
VS VIN Product 2	1.9000	0.1000
VS VIN CBPS	2.2000	0.1000
VS VIN Service Station Government Small Ticket	1.6500	0.0400
VS VIN Supermarket	1.6500	0.0700
VS VIN Small Ticket	2.2000	0.0000
VS VIN Small Ticket Min	0.0000	0.0400
MC US Commercial Fleet Data Rate 1	2.7000	0.1000
MC US Commercial Fleet Data Rate 2	2.5000	0.1000
MC US Commercial Fleet Data Rate 2 Petroleum	2.2000	0.1000
MC US Commercial Fleet Data Rate 3	1.9000	0.1000
MC US Commercial Fleet Large Ticket	1.4500	35.0000

Interchange Rate Changes:

Interchange Category	Current Interchange %	Current Interchange Per Item \$	New Interchange %	New Interchange Per Item \$
VS InterReg Super Premium	1.9700	0.0000	1.9800	0.0000
VS Premium Card	1.8000	0.0000	1.8500	0.0000
Visa VIQ Product 1 Tokenized	2.4000	0.1000	2.5000	0.1000
VS Spmkt Tr 0 Rate 1	1.1500	0.0500	1.1800	0.0500
VS Spmkt Tr 0 Rate 2	1.4000	0.0500	1.5500	0.0500
VS Spmkt Tr 1 Rate 1	1.1500	0.0500	1.2000	0.0500
VS Spmkt Tr 1 Rate 2	1.5000	0.0500	1.5500	0.0500
VS Spmkt Tr 1 Rate 3	1.5500	0.0500	1.6500	0.0500
Visa VIQ Travel	2.4000	0.1000	2.5500	0.1000
Visa VIQ Product 2	2.1000	0.1000	2.3000	0.1000
Visa VIQ Product 1	2.5000	0.1000	2.6000	0.1000
Visa VIQ CBPS	2.5000	0.1000	2.6000	0.1000

Visa Changes:

Effective October 2023, Visa US Account Name Inquiry will be billed at \$0.05. Visa's Account Name Inquiry (ANI) functionality enables cardholder name checks to be carried out as part of a zero-amount account verification, part of card onboarding, or periodically in advance of a purchase, or an account funding transaction (AFT).

Effective October 2023, VS US Digital Commerce Services will be billed at 0.0075% with a minimum of \$0.0075. This fee will apply to all Card Not Present (CNP) settled transactions. This fee is also replacing CNP transactions for the Visa Address Verification Service Fee and CNP transactions for the Visa Card Verification Value 2 (CVV2) Fee. Card Present (CP) transaction will still qualify for the Visa Address Verification Service Fee and the Visa CVV2 Fee.

Mastercard Changes:

Effective October 2023, MC US Preauthorization Fee CP will be billed at 0.0075% of the final preauthorization amount with a minimum of \$0.01

Effective October 2023, MC US Preauthorization Fee CNP will be billed at 0.0125% of the final preauthorization amount with a minimum of \$0.01

These fees will apply to preauthorization transactions meeting all of the following criteria:

- The authorization is switched via the Mastercard Network
- The authorization request is approved (fully or partially)
- The authorization is coded as a preauthorization, where data element (DE) 61 (Point-of-Service [POS] Data), subfield 7 (POS Transaction Status) contains a value of 4.

The following types of transactions will be exempt from this fee:

- Mastercard Transit Aggregated or Transit Debt Recovery Transactions, where DE 48 (Additional Data—Private Use), subelement 64 (Transit Program), subfield 1 (Transit Transaction Type Indicator) contains a value of either 03, 04, 06, or 07
- Private Label transactions (PVL = Y) and transactions of card brands other than Mastercard.
- Debit card transactions
- Automated Fuel Dispenser transactions, where DE 18 (Merchant Type) contains a value of card acceptor business code (MCC) 5542 (Fuel Dispenser, Automated).

In order to meet the required 30-day notification of increases and changes to merchants, the following statement message will appear on all August statements delivering to merchants early September.

Effective October 2023: Visa, MasterCard, American Express, and Discover Card Services are introducing new (and modifying current) interchange structures and association processing program fees. Details surrounding these changes will be addressed on your September 2023 Merchant Statement.