

Visa Acceptance and Enablement

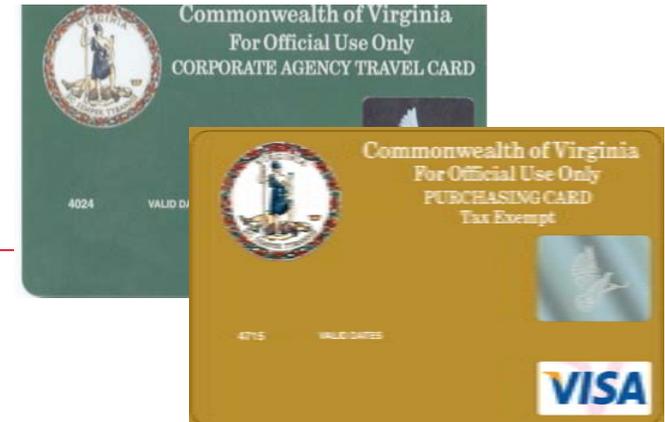


Bank of America Merchant Services - Supplier Strategy

April 2009

Understanding the Partners

- Acquiring Bank/Merchant Service Providers
 - Enables suppliers to accept and process credit cards.
 - Provides training, set up, software and support for transaction processing.
- The Commonwealth of VA
 - Cardholders, Buyers and Procurement representatives within the Commonwealth of VA agencies and institutions and some localities that purchase products, goods or services from you as a merchant.
- Bank of America Merchant Services, Visa – Purchasing Card
 - Issuing Bank for the Purchasing Card used by the Commonwealth of VA state agencies and institutions and some localities
 - Supplier Strategy: Contact point for Bank of America's Acquiring Bank/Merchant Services offering negotiated merchant pricing including but not limited to lower interchange rates, reduced software costs, discounted set up fees, etc.*



Visa acceptance makes it easier for corporations and government to do business with their suppliers.

*Subject to meeting the Acquiring Bank's underwriting requirements

Strengthening Partnerships

- **Faster and More Efficient Buying Process**
 - Buyer Purchasing Permissions are pre-approved on each card eliminating the request and approval processes of a check.
 - Improves your customers ability to quickly reconcile transactions.
 - Supports e-Commerce initiatives.
- **Support Visa Payment Option**
 - Customers are more likely to spend with the suppliers that have a simple procurement to payment process in place
 - Support your customers by accommodating any of their payment options.
 - Access to Bank of America Merchant Services for discounted pricing and set up.
- **Improved Merchant Cash Flow**
 - Customers can pay you faster...why wait months when you can be paid in a matter of days?
 - Enables you to invest your money back in to your business quicker.

Strengthening Partnerships Cont...

- May Eliminate or Reduce Suppliers Invoice Processing, Billing and collections
 - Check with your customers to identify areas to eliminate invoice and billing steps. This is dependant on the level of data you can pass with the credit card transaction, and your customers individual needs.
- Ability to provide invoice level details with the credit card transaction.*
 - Suppliers who can pass Level II and Level III details are able to send their customer details about the transaction such as but not limited to project codes, PO Number, a billing code, line item details, etc.
- Tracking and Reporting
 - Retain the details on the products and services you provide for competitive analysis.**

In today's competitive business environment, strong relationships between suppliers and businesses are critical to success.

*- The ability to provide invoice level details with the credit card transaction is dependant on the level of credit card data the merchant is set up to pass.

** - The tracking and reporting capabilities range by the type of Point of Sale Terminal used.

Understanding Data Capture Levels

Level I provides basic credit card purchase information including but not limited to; Supplier name, Merchant Category Code, Date and Total purchase amount.

Level II adds additional information to level 1 elements including but not limited to; **Customer Code, Sales Tax amount, Vendor Tax ID, Outlet zip code and Minority & Women Owned Business status (MWOB).**

Level III adds line item detail to level I and level II elements including but not limited to; **Customer Code, Sales Tax, Item Description, Item Quantity, Item Unit of Measure, Product Code, Freight amount and Extended Item amount.**

Basic Data – Standard Interchange Cost, only transaction data passed to client, supports e-commerce initiatives

Improved Data – Lower Interchange Costs, ability to send client limited line item information, supports e-commerce initiatives.

Superior Data – Lowest Interchange Costs, ability to send client invoice level details, supports e-commerce initiatives, and ability to qualify for Large Ticket Discounts

Level II & Level III = Lower Interchange...there are Level II & III solutions for any industry...consulting, service provider, temp help, manufacturing, retail, etc.

Summary/Review of Supplier Benefits

1. Access to discounted pricing, software and set up through Bank of America Merchant Services
2. On Visa and MasterCard transactions, Payment within 2 business days of settlement
3. Improved cash flow-opportunity to invest money earlier
4. May eliminate or reduce invoice processing, billing and collections due to more efficient A/R process
5. Opportunity to gain new business with the ability to support one-off requests without having to go through the process of new account set up.
6. Retain or Gain the competitive advantages in your industry
7. Obtain and Store the critical transaction detail specific to your customers

Common Costs

- Interchange, and fees will vary by Acquiring Bank, by merchant, and is influenced by volume and Level of Data.
- Industry Standard Fees –
 - *Merchant Services Account Setup fee: \$125*
 - *Annual Fee: \$100*
 - *Batch Fee: \$.25*
 - *Purchased Level I or II Terminal: \$425- \$850*
 - *Rented or Leased Level I or II Terminal: \$25 - \$65*
 - *Level III PC software: \$375 - \$650*
 - *Level III Internet/browser based: \$299 setup and \$35 monthly support fee*

Bank of America Merchant Services has waived the merchant services account setup fee, waived the annual fee, waived the batch fee, offers discounted processing fees, and reduced virtual terminal setup fees that are below industry standards.* Bank of America will also train merchants on how to qualify for the special Level III interchange rates which is .20% or more in savings compared to Level II interchange rates.**

*** - Subject to meeting the Acquiring Bank's underwriting requirements



Supplier Strategy Contact Information

Option A- If you are currently **not** an acceptor of credit cards and would like a proposal to accept credit cards, please email your contact info (including name of company, contact person, and phone number) to Aaron.Schneider@bankofamerica.com and state that you are a non acceptor who is an eVA registered vendor

Option B- If you are a current acceptor of credit cards, would like a free analysis of credit card fees, and are using a credit card processor other than Bank of America Merchant Services, please email your contact info (including name of company, contact person, and phone number) to Aaron.Schneider@bankofamerica.com and state that you are a current acceptor of credit cards who is an eVA registered vendor

Option C- If you are currently accepting credit cards and your processor is Bank of America Merchant Services and you have questions about your credit card fees or questions on your existing merchant account, please email dstemail@bankofamerica.com (please include your Bank of America Merchant Services merchant id number located on your monthly statement) or call 1 800 228-5882

