

UNDERWRITING PROCESS

Required Documentation

It is important for our bank card underwriters to establish the legitimacy of every merchant before they are approved. Therefore, it is very important that all required documentation is included with every merchant application. Please reference the Underwriting Tiers section of this brochure.

TIER 1 – Retail Documentation

- Complete merchant application w/account setup form
- Voided check (for starter checks, you must include the telephone number and contact name of the local branch of the bank) ONE of the following: business license **or** certificate of incorporation **or** sales tax ID certificate **or** previous processing statements plus ONE of the following: another one of the above items **or** copy of owners driver's licence **or** copy of yellow pages ad **or** bank statements with business name and address on it **or** owners personal utility bill
- Valid trade references

TIER 1 – Mo/To/Internet Documentation

- Complete merchant application w/account setup form
- Voided check (for starter checks, you must include the telephone number and contact name of the local branch of the bank)
- Valid trade references
- ONE of the following: business license **or** certificate of incorporation **or** sales tax ID certificate **or** previous processing statements plus ONE of the following: another one of the above items **or** copy of owners driver's licence **or** copy of yellow pages ad **or** bank statements with business name and address on it **or** owners personal utility bill
- Method of marketing (brochures, catalog, price list, website, advertisements, yellow page ad)

TIER 2 – Retail Documentation

- Complete merchant application w/account setup form
- Voided check (for starter checks, you must include the telephone number and contact name of the local branch of the bank)
- ONE of the following: business license **or** certificate of incorporation **or** sales tax ID certificate **or** previous processing statements plus ONE of the following: another one of the above items **or** copy of owners driver's licence **or** copy of yellow pages ad **or** bank statements with business name and address on it **or** owners personal utility bill
- Valid trade references
- Optional additional prior processing statements **or** bank statements can assist with the approval of Tier 2 Retail accounts

TIER 2 – Mo/To/Internet Documentation

- Complete merchant application w/account setup form
- Voided check (for starter checks, you must include the telephone number and contact name of the local branch of the bank)
- ONE of the following: business license **or** certificate of incorporation **or** sales tax ID certificate **or** previous processing statements plus ONE of the following: another one of the above items **or** copy of owners driver's licence **or** copy of yellow pages ad **or** bank statements with business name and address on it **or** owners personal utility bill
- Method of marketing (brochures, catalog, price list, website, advertisements, yellow page ad)
- A minimum of 2 months bank statements **or** 3 months of recent processing statements
- Optional financial statements or tax returns can assist in the underwriting of Tier 2 Mo/To/Internet accounts

TIER 3 – Mo/To/Internet Documentation

- Complete merchant application w/account setup form
- Voided check (for starter checks, you must include the telephone number and contact name of the local branch of the bank)
- ONE of the following: business license **or** certificate of incorporation **or** sales tax ID certificate **or** previous processing statements plus ONE of the following: another one of the above items **or** copy of owners driver's licence **or** copy of yellow pages ad **or** bank statements with business name and address on it **or** owners personal utility bill
- Method of marketing (brochures, catalog, price list, website, advertisements, yellow page ad)
- A minimum of 6 months bank statements **or** 6 months of recent processing statements
- The last two years of business/personal financial statements and/or tax returns could be requested by underwriting

TIER 4 – Unacceptable Merchants

- Regardless of circumstances, we will not approve any merchants located on the Unacceptable Merchant List

UNDERWRITING PROCESS

Underwriting Tiers

TIER	APPROVAL INFO	EXAMPLES	MERCHANT DESCRIPTION
Tier 1 – Retail	Auto-Approved <i>(Regardless of credit)</i>	Restaurants Supermarkets Retail Shops Pay-At-Pump Lodging	Less than \$25,000 / month in volume if start-up business No volume cap if supported by prior-processing statements 80% swiped Less than \$1000 avg. ticket
Tier 1 – Mo/To/Internet	99% Approval <i>(Credit is a factor, bank statements or prior processing statements will help in the approval process. Method of marketing must be supplied: website, brochure, catalog, advertisement, etc.)</i>	Mail Order Phone Order E-Commerce	Less than \$10,000 / month in volume if start-up business Less than \$25,000 /month in volume if supported by prior-processing statements. Must be selling a tangible product Must include marketing materials Less than a \$500 avg. ticket and less than \$1000 highest ticket Electronics, Computers, wholesalers, non-tangible product or service industries – see Tier 2: Mo/To/Internet
Tier 2 – Retail	99% Approval <i>(Credit is a factor, bank statements or prior processing statements will help in the approval process)</i>	Jewelry Used Cars Computers Electronics Cell Phones Furniture Contractors Service Bus Home-Based Retail Limo	Less than \$10,000 / month if start-up business Less than \$25,000 /month in volume if supported by prior-processing statements Less than a \$1000 average ticket and less than \$2500 highest ticket
Tier 2 – Mo/To/Internet	95% Approval <i>(Credit is a factor. Application should be submitted with prior processing statements, bank statements and if available financial statements. Method of marketing is required: brochure, website, catalog, advertisement, etc.)</i>	Computers Electronics Jewelry Services Wholesalers B to B	Less than \$50,000 / month in volume. Greater than \$50,000 – see Tier 3 Less than \$2000 average ticket and less than \$5,000 highest ticket

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Underwriting Tiers

TIER	APPROVAL INFO	EXAMPLES	MERCHANT DESCRIPTION
Tier 3 – Mo/To/Internet	Variable <i>Previous Processing statements, bank statements and financial statements are required. Method of marketing is required.</i>	High Volume MO/TO/ E-Commerce, Computers, Electronics Web Hosting Web Design Seminars Membership	Greater than \$50,000 / month in volume Greater than \$2000 average ticket and Greater than \$5,000 highest ticket

*Underwriters reserve the right to amend, change, or add to the above listed underwriting tiers.
Note: Underwriters reserve the right to decline any merchant application for any reason and within our sole discretion.

Tier 4

Unacceptable Business Type

Age Verification
Aggregators
Airlines
Any Product / Service Considered Illegal
Any Product / Service or Activity Prohibited by MasterCard and/or Visa
Auctions of any type
Automobile Clubs
Bail Bonds
Benefit Programs
Buyers' clubs / Membership clubs
Check Cashing and Payment Facilitating Services
Collection Agencies
Currency / Commodity Exchange / Money Transfer businesses
Credit Card Protection
Credit Counseling, Restoration
Credit Repair Agencies
Cruise Lines
Direct Marketing –Subscription Merchants –IPSP Prohibited only
Discount and Other Membership Clubs
Drug Paraphernalia
E-Cash
Extended Warranty Companies
Foreclosure protection / guarantee / assistance
Fortune tellers
Freight Forwarders
Furniture –All types –New
Future delivery –greater than 90 days
Gambling –including but not limited to: Lotteries, Internet Gaming, Contests, Sweepstakes
Gamers
“Get Rich Quick” schemes and seminars
Golf Clubs and accessories –Online
Gun Dealers –online
Herbal smoking blends and herbal incense
Inbound Telemarketing with an Up Sell
Infomercial –IPSP Prohibited only
Investment Programs or Opportunities
International / US Matchmaking or Dating
Lifetime memberships or subscriptions
Loan Modifications
Long Distance and Teleservices
Magazines
Mail order brides
Marijuana Dispensaries
Merchants Offering Free Gifts, Incentives or Enticements
Merchants Offering Prizes, Sweepstakes or Contests as an Inducement to Purchase a Product and / or Service
Mortgage Reduction Services
Multilevel Marketing –New
Nutraceuticals–Internet without a retail storefront
Online and / or Non-face-to-face Pharmacy or Pharmacy Referral and Direct Merchant Prohibited
Online and / or Non-face-to-face Tobacco Sales
Outbound Telemarketing
Penny Auctions
Prepaid Phone Cards, Phone Services and Cell Phones
Programs on How to Apply for Low Interest Credit Cards
Pseudo-Pharmaceuticals –including but not limited to: Anti-aging Pills, Sex Nutrients, Diet Pills
Quasi-Cash
Rebate Based Business
Replica goods and / or products
Sexually Oriented or Pornographic Products and Services –including but not limited to: Audiotext
Videotext
Adult book / video stores
Modeling Agencies
Massage Parlors
Topless Bars / Clubs
Companion / Escort Services
Dating Services
Sports Forecasting / Odds Making
Ticket Agencies –New
Timeshare Programs
Travel Agencies
Travel Clubs
“Up-Sell”
Merchants
Vacation Rentals
Warranty Companies and Extended Warranty Companies

Tier 4

Unacceptable Business Type

Acai or health-related teas
Airlines
All sexual oriented/pornographic merchants:
- companion/escort services
- adult telephone conversations
- adult book stores
- dating services
- online adult membership/matchmaker services
- adult paraphernalia/toys
Auction houses
Bankruptcy attorneys
Calling cards
Check cashing services
Collection agencies
Colon cleanser and other detox products
Credit counseling or credit repair
Debt collection & counseling
Debt consolidation
Diet pills
Drug paraphernalia
Financial planning/strategy
"Get rich quick" books, programs, etc.
Glucose strips
Government monetary grants or other "business opportunity" schemes
Health supplements/MoTo
"Hype" products/services
In-bound & out-bound telemarketing services
International merchants (non-US based)
Internet-based work-from-home plans
Internet gambling
Investment firms
Investment strategy
Investment books
Lawyer referral services
Lotteries
Marijuana (medical or otherwise)
Membership organizations (over 12 months)
Merchants on the terminated merchant file (TMF list)
Modeling agencies
Multi-level marketing
Music/movie/software downloads (i.e., copywrited music/movies or
Software such as Microsoft office)
Off-shore corp. establishment services
Online pharmacies/Viagra sales
Sports forecasting/odds making
Talent agencies
Teeth whitening products
Third-party processing/factoring merchants
Time shares
Tour operators
Travel agencies
Travel clubs
Vacation planners
Vitamin sales (mo/to or Internet)