

*Are you Ready  
to Sell Online?*



**SIMPLY PAYMENTS**  
— MERCHANT PROCESSING —



*Essential Strategies for Business Owners*

## Who we are

Simply Payments, Inc. provides secure electronic payment processing services to businesses of all sizes.

We offer ACH transfers, point of sale systems, e-commerce solutions, virtual terminal processing, mobile solutions, cash discounting capabilities, gift cards, and cash advances.

Our goal is to collaborate with you to make sure you are getting the most out of your payment processing solutions to maximize the benefits to your business.

# Understanding Processing Fees



## Three Key Fee Components:

- 1. Interchange Fees:** Set by card networks (Visa, Mastercard), typically 1.9% to 3.5% per transaction
- 2. Assessment Fees:** Charged by card brands, usually 0.1% to 0.17%
- 3. Processor Markup:** Your payment processor's fee, varies widely from 0.1% to 1.0%+

**Pro Tip:** The processor markup is negotiable! Interchange and assessment fees are fixed, but you can shop around for better processor rates.

# Common Pricing Models



## Flat-Rate Pricing

Simple, predictable rates (e.g., 2.9% + \$0.30). Best for low-volume businesses or those just starting out.

## Interchange-Plus

Most transparent model. You pay actual interchange + a fixed markup. Best for established businesses.

## Tiered Pricing

Transactions grouped into qualified, mid-qualified, and non-qualified tiers. Often the most expensive option.

## Subscription/Membership

Monthly fee + lower per-transaction costs. Great for high-volume merchants.

**Warning:** Avoid tiered pricing when possible. It's often the least transparent and most expensive model.



# Ways to Reduce Processing Costs



- 1. Negotiate Your Rates:** Don't accept the first offer. Processors expect negotiation, especially if you have good volume.
- 2. Batch Transactions Daily:** Settle your transactions each day to avoid higher "non-qualified" rates.
- 3. Address Verification (AVS):** Use AVS to reduce fraud and qualify for lower interchange rates.
- 4. Cash Discount:** Pass processing fees to customers (with proper disclosure).
- 5. Encourage Debit Cards:** Debit card transactions typically have lower fees than credit cards. Usually less than 1%.
- 6. Review Statements Monthly:** Watch for hidden fees and rate increases.

# Fraud Prevention Strategies



***Protecting your business from fraudulent transactions is critical.***

Chargebacks are risky and too many can prevent you from accepting credit card payments.

## **What is a chargeback?**

This is when the cardholder (your customer) calls their credit card company and disputes the charge, by saying they are not satisfied with the product/service. The credit card company immediately issues a credit to the customer by deducting this amount from your business bank account.

**Pro Tip:** Keep detailed records of all transactions, including receipts, shipping confirmations, and customer communications. This documentation is crucial for winning chargeback disputes.

# Fraud Prevention Strategies



## Best Practices:

- **Add Clear Billing Descriptors:** Ensure customers recognize your business name on their statements. When signing your paperwork, your descriptor is usually listed on your agreement.
- **Transparent Policies:** Display refund and return policies prominently.
- **Responsive Customer Service:** Resolve disputes before they become chargebacks.
- **Detailed Documentation:** Keep proof of delivery, signed receipts, and communication logs.
- **Respond Quickly:** You typically have 7-21 days to respond to chargeback notifications.

**Critical:** If your chargeback ratio exceeds 1% (or 0.9% for some card networks), you may enter monitoring programs with expensive fees and potential account closure.



# Fraud Prevention Strategies



## Essential Protection Measures:

- **EMV Chip Readers:** Reduce card-present fraud by up to 70%. You're liable if you don't use them.
- **CVV Verification:** Always require the 3-digit security code for card-not-present transactions.
- **3D Secure (3DS):** Add an extra authentication layer for online purchases.
- **Velocity Checks:** Set limits on transaction amounts and frequency from the same card. Talk to your provider, they can help with this.
- **Fraud Scoring:** Use tools that analyze risk factors in real-time. Your provider can assist with this for free.



# PCI Compliance:



## There are 12 Requirements and 4 Levels.

Payment Card Industry Data Security Standard (PCI DSS) compliance is mandatory for all businesses that accept credit cards. Some of these items can be completed by your IT vendor.

- Install and maintain firewall protection
- Don't use vendor-supplied defaults for passwords
- Protect stored cardholder data
- Encrypt transmission of cardholder data across public networks
- Use and regularly update anti-virus software
- Develop and maintain secure systems and applications

**Compliance Levels:** Determined by annual transaction volume.

- Level 4 (smallest) requires annual self-assessment.
- Level 1 (20M+ transactions) requires annual on-site audit

**Pro Tip:** The easiest way to reduce PCI compliance burden is to **not store card data**. Use tokenization and let your payment processor handle the sensitive data.

# How to choose the best Processor?



- **What's the total effective rate?** Look beyond advertised rates to all-in costs.
- **Are there contract terms?** A one year contract is preferable to multi-year commitments.
- **What are the termination fees?** Early termination can cost hundreds or thousands. This is called ETF and is in your contract. *Check this- see next slide!*
- **Are there monthly minimums?** Some processors charge fees if you don't meet volume thresholds.
- **What equipment is required?** Who owns it? What are replacement costs?
- **What's included in support?** 24/7 phone support? Online portal? Technical assistance?
- **How quickly do funds settle?** Next-day vs. 2-3 day funding can impact cash flow. Next day funding is free!

# Accepting Payments

There are many ways to accept payments for your products or services



## Credit Cards



## Credit Cards

## ACH Transfers



ACH Bank  
Transfers  
Bank fees,  
usually \$25

## Zelle



Zelle  
Transfers  
Free through  
your bank

## Venmo



Venmo  
1-3 days free or  
1.75% instant  
transfer

## Cash



Cash is  
King  
But who has cash?

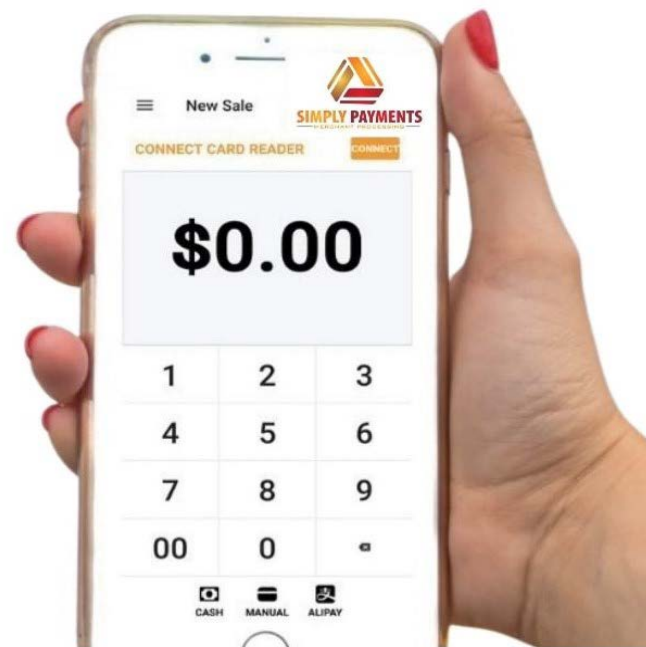


# Methods of Accepting Payments



*There are many methods of accepting online payments*

## Mobile Wallets



## Payment Gateways

A screenshot of a web-based 'Virtual Terminal' interface. It has a 'Secure Transaction' lock icon in the top right. The 'Order Details' section includes fields for 'Currency' (set to 'U.S. Dollars'), 'Net Order Amount', 'Shipping' (with an 'Apply tax to shipping' checkbox), 'Tax Rate', 'Tax Amount', and 'Total'. The 'Transaction Type' is set to 'Sale'. The 'Billing Information' section includes fields for 'Card Type', 'Credit Card Number' (with VISA, MasterCard, and Discover logos), and 'Expiration Date' (set to 01/2006). At the bottom are 'Review Transaction' and 'Cancel' buttons.

## Point of Sale (POS)



## Card Not Present



## eCommerce



- iPhone / Android
- Send payment links, invoices & receipts from your smartphone.

From your laptop  
or computer

- PayAnywhere
- Clover
- Micros
- Toast

Customers call  
you with their card  
information

- Products you  
sell on your  
website in a  
shopping card



# Benefits of Zelle & Venmo:

## Free Digital Payment Solutions



- **Zero Transaction Fees** for standard transfers between users
- **Instant Money Movement** to friends, family, and businesses
- **User-Friendly Mobile Apps** with intuitive interfaces
- **Secure Transactions** with bank-level encryption
- **Reduced Need for Cash** or physical payment methods
- **Split Bills Easily** for group expenses and activities

***Simplify your financial life with these convenient, cost-free payment options***

# Zelle & Venmo Pricing: Free or?

*Both are free but there are tips & tricks!*



## 2 Options:

1. Standard Transfer: Free, 1-3 business days  
*This actually takes less than 24 hours!*
  2. Instant Transfer: 1.5% of transfer amount, funds available immediately. Minimum \$.25, max \$15
- Select your bank account (already set up previously)
  - Enter transfer amount, then confirm fee, if any.



Setup Zelle in your banking app. (M&T doesn't offer Zelle for business accts)

Setup your recipients with their cell phone or email address.

- Check "Send Money with Zelle"
- Choose recipient
- Enter amount \$
- Verify recipient details and amount
- Complete Transfer

*No bank account numbers needed!*

**Limits:** \$5,999 maximum transfer amount per day. \$4,999 per week.

Just associate a cell phone number or email with this bank account

# Rates & Fees Explained

*There are over 300 interchange rates as of April 2025*



Sample Rate Categories	
Supermarket	Large Ticket
Hotel	Business Card
E-commerce	Corporate Card
Car Rental	Auto Fuel
Utilities	International Cards
Travel	Public Sector
Restaurants	Business T&E
Airlines	Non-Profits
Warehouse Clubs	Face to Face cards





# Credit vs Debit

Credit rates range from 2.5 to 4%

A **credit card** is a card issued by a bank, and enables the cardholder to borrow funds from that institution.

**2 types of Debit: PIN and Signature**  
Debit rates are approx. 1%

A **debit card** is a card issues by your bank and is linked to your checking account. **PIN: PIN debit** requires a personal identification number (PIN) to make a purchase. It's routed through your banks checking account.

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**Signature debit** doesn't require a PIN number. Processing a debit card in this manner causes the transaction to be routed through the card networks instead of your checking account. Debit rates apply.



Typically, transactions under \$25 don't require a signature



# Why credit cards are best for shopping...

If your debit card is stolen or charged incorrectly, the funds are deducted from your checking account and can't be retrieved.

**Credit card companies always provide a *temporary* refund on your credit card while they research the fraud. You are not at a loss for any funds.**

is a card issued by a bank, and enables the cardholder to borrow funds from that institution.

Typically, transactions under \$25 don't require a signature



These documents are  
required for KYC

KYC = Know Your Customer

# Required Documents to open an account

Make sure your documents are recent, no expired driver's licenses, etc.

1

SS-4 Form  
from the  
IRS listing  
your TaxID  
Number

2

Valid Driver's  
License for all  
business  
owners

3

Voided Check  
with your  
business name  
listed,  
otherwise a  
Bank Letter

4

Most recent  
two bank  
statements  
with your  
business  
name listed

5

Social  
Security  
numbers for  
all business  
owners



# A Leader with Trusted Advisors and Clients





**SIMPLY PAYMENTS**

MERCHANT PROCESSING

*Payment Processing Made Simple*

*Christine M. Curzio, Owner*

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MERCHANT PROCESSING

Thank you

Questions?