Frequently Asked Vendor Questions Regarding Virtual Credit Card Payments

1) What are the benefits of receiving payment via card?
   There are many benefits to participating vendors, including:
   • Guaranteed payment through the MasterCard® or ComdataDirect networks
   • Improved financial controls, since checks can be lost or stolen
   • Prompt settlement to help minimize payment delays, collection costs and disputes
   • Detailed remittance information, including a list of invoices paid
   • Maintained status as a preferred vendor
   • Web-based portal for self-registration and information management
   • Automated reminders to process outstanding payments
   • Access to comprehensive network of rewards and business services

2) Do I have to accept a credit card payment or can I require another payment mode?
   If you currently accept payments via MasterCard from any other commercial (non-consumer) customers, you are required to accept card payments from all customers who wish to pay via MasterCard, regardless of invoice size or frequency. Rule 5.8.1 in your MasterCard agreement states that a merchant must honor all valid cards without discrimination when properly presented for payment. Rule 5.9.3 requires that a merchant must not require, or indicate that it requires, a minimum or maximum transaction amount to accept a valid and properly presented MasterCard. Contact your credit card processor for more details.

3) How will I be notified that a Comdata MasterCard payment has been assigned to the invoice?
   You will receive the remittance advice via mail or email. The remittance advice contains the details of the invoices being paid by that Comdata MasterCard.

4) What do I do with the remittance advice?
   If you received the remittance advice via email, you will use the 6-digit card account prefix (556766) and merge it with the Comdata MasterCard account number provided in the email remittance to process the payment through your credit card system. If the remittance was received via U.S. mail, simply process the account number provided through your credit card system as you would any other credit card payment.

5) If I have multiple invoices for payment, will a MasterCard account number be assigned to each invoice?
   No. Each time we process payments, the system will aggregate all the records by vendor code, generating a single MasterCard account number valid for the total net paid amount on your remittance advice. Each invoice record is listed as a separate line item on the remittance advice to mirror their “old” manual data entry process which would have been to code at the time the invoice “goes into the system.”

6) What charges will I incur by participating in the program?
   Virtual card payments are processed like any other credit payment, and the agreement you currently have with your MasterCard processor in order to accept payments through their system is also applicable to these transactions.
7) I am concerned about card acceptance fees. What can I do?

We understand how important it is to obtain the best interchange rates from credit card companies. Comdata may be able to assist you in receiving a lower rate by enrolling you in ComdataDirect, our proprietary virtual card network. Because Comdata controls the interchange rates and there are no outside processing fees, we can reduce your costs to between 1.1% and 1.6% in most cases. For more information, contact us at 800.621.8931 or ComdataDirect@comdata.com.

You can also ask for a free consultation from our merchant services provider, Infintech, about getting highly competitive MasterCard rates. Infintech is a trusted partner that specializes in B2B (business-to-business) payments by using specialized technology to capture the lowest rates from card networks. Over the last two years, on average, Infintech has reduced Comdata customers’ processing costs by 30-40% or more.

Infintech will provide you a no obligation rate analysis comparing your current credit card service to our program. They will prepare a customized cost savings report and contact you directly to review. If you would like more information, feel free to contact Infintech directly at 1.800.621.8931 and let them know you’re with Comdata.

8) If I lose the card information, what do I do?

You can contact your customer’s AP department to obtain the Comdata MasterCard account information for that specific invoice.

9) Why do I have to run the card for the exact amount?

This is a security feature of the program.

10) What if I want to add charges or fees for accepting card payments?

MasterCard has recently implemented new rules that apply to all MasterCard branded credit products. These rule modifications are a result of the settlement agreement reached in the lawsuit brought by U.S. merchants against MasterCard and Visa®.

Merchants, if they choose, may now impose a surcharge on MasterCard credit cards. These surcharges may take place at a brand level (e.g. MasterCard or Visa) or at a product level (e.g., commercial purchases, consumer purchase, World Elite, etc.).

However, these surcharges do have restrictions, including:

- Merchants must officially register with MasterCard 30 days in advance of surcharging.
- Surcharges are capped at 4% in total and cannot exceed the merchant’s Merchant Discount Rate for surcharging at the brand level or the Merchant Discount minus the Durbin cap if surcharging at the product level.
- Surcharges can only be applied in states that allow surcharging. Ten states currently prohibit surcharging: California, Colorado, Connecticut, Florida, Kansas, Maine, Massachusetts, New York, Oklahoma and Texas.
- Merchant must disclose the fact that it is charging a surcharge. Such disclosures must be made at store entry, first webpage, and at point of sale. Amount of surcharge must be disclosed on receipt.
- If a merchant accepts both Visa and MC, they can choose to surcharge on one or both brands. If a merchant accepts other brands (e.g. Amex®), they can only surcharge on Visa or MasterCard if the other brands allow surcharges. Also, in order to surcharge MasterCard credit cards, the merchant must also surcharge American Express or Discover if the merchant’s cost of acceptance for those cards is the same or greater than it’s MasterCard cost of acceptance.

About Comdata

Comdata Inc. is a leading business-to-business provider of innovative electronic payment solutions. As a company that provides issuer and processor services, Comdata provides corporate payments, virtual card, fleet and prepaid solutions to over 20,000 customers. Comdata’s SVS division is a global gift card and loyalty innovator that manages over 600 million cards and processes over 1 billion transactions originating from over 45 countries and in 26 currencies worldwide every year. Founded in 1969 and headquartered in Brentwood, Tennessee with more than 1,200 employees globally, Comdata Inc. enables over $54 billion in payment volume annually.

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