

## Important Notice for Our Members Regarding Credit Card Surcharges

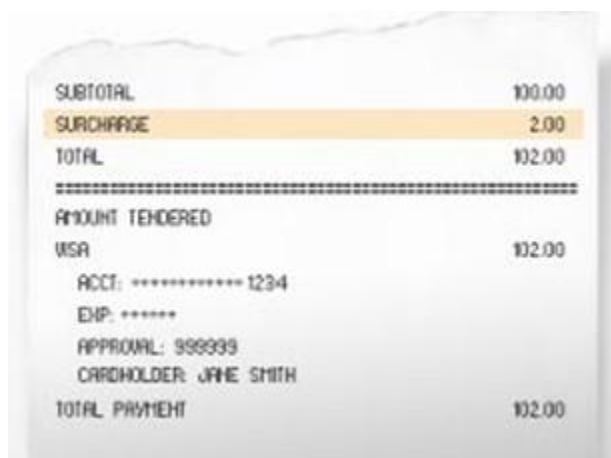
As a result of a recent court settlement between retailers and the credit card industry, merchants can now pass along their payment processing costs to consumers who pay with a credit card beginning **January 27, 2013**. This would mean that a merchant who chooses to exercise this new right could impose a surcharge, sometimes referred to as a "checkout fee" that could increase your credit card purchase amount by as much as 4% (maximum allowed). Not all merchants will charge this fee—it's up to the individual business owners.

Under the settlement:

- The surcharge cannot exceed the amount that the merchant actually pays to accept credit cards—normally between 1.5% and 3% of the transaction amount.
- Surcharges can be imposed on credit card transactions only, not on purchases made with debit cards or prepaid cards.
- Merchants must disclose the credit card surcharge clearly—at the store entrance and the point of sale or on the homepage if the merchant does business on the Internet.
- The disclosure must include the amount of the surcharge, the fact that the fee is being charged by the merchant, and that the fee does not exceed the merchant's cost to accept credit cards.
- The dollar amount of the surcharge must appear on the transaction receipt.

Merchants are not allowed to impose a credit surcharge in California, Colorado, Connecticut, Florida, Kansas, Maine, Massachusetts, New York, Oklahoma or Texas, where such fees are prohibited under state law.

For more information, go to [www.knowyourcard.org](http://www.knowyourcard.org).



SUBTOTAL	100.00
<b>SURCHARGE</b>	<b>2.00</b>
TOTAL	102.00
=====	
AMOUNT TENDERED	
VISA	102.00
ACCT: *****1234	
EXP: *****	
APPROVAL: 999999	
CARDHOLDER: JANE SMITH	
TOTAL PAYMENT	102.00

## Credit Card Surcharges – FAQ

**Q. What is a credit card surcharge?**

A. An additional fee that a merchant (retailer) adds to your CREDIT CARD bill when you use a credit card for payment.

**Q. How will I know if the merchant is going to surcharge my credit card?**

A. Look for signs or postings at the store entrance and the point of sale warning of merchant's fee. Carefully review your receipt; merchants are required to disclose the actual dollar amount of the surcharge.

**Q. How much can the merchant charge?**

A. They may not charge any more than the applicable merchant discount rate for the credit card transaction. The rates are generally between 1 .5 % to 3%, but in no case can be higher than 4%.

**Q. Can I be surcharged if I press the "credit button" while using my debit or prepaid card?**

A. No. Regardless of how your debit or prepaid card is processed at the point of sale, surcharging is not permitted.

**Q. Will all merchants begin charging me for my credit card?**

A. No, merchants can choose to charge or not. The 10 U.S. states have laws restricting merchants from surcharge on credit cards are: California, Colorado, Connecticut, Florida, Kansas, Maine, Massachusetts, New York, Oklahoma and Texas

**Q. What do I do if the merchant is charging over 4% on my credit card or charging me on my debit or prepaid card?**

A. To report excessive payment surcharges, or surcharging debit and prepaid card transactions, you can visit [www.visa.com/checkoutfees](http://www.visa.com/checkoutfees) and fill out the Report a Merchant Violation form.

**Q. Where can I get more information about payment card surcharging?**

A. For more information, you can visit [www.knowyourcard.org](http://www.knowyourcard.org).