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Velocity IT Limited
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www.velcoitypay.co.uk

What is Velocity Pay?

Velocity Pay is what is called a Payment Service Provider (PSP). We provide a Payment Gateway through which merchants can process credit cards online or through call centers. Velocity Pay can process all major credit & debit cards, including American Express & Diners Club International. We also support all the major Merchant Acquirers providers.

What are the Security Measures in Place with Velocity Pay?

One of your biggest concerns with choosing an Internet Payment Service Provider must be the security and protection offered by the PSP to combat fraudulent transactions. Velocity Pay takes fraud protection very seriously. Therefore we offer free of additional charge the latest anti-fraud initiatives. These include:

- EMV Chip & Pin
- Address Verification Service (AVS)
- Card Verification Value (CV2)
- Verified By Visa
- MasterCard Secure Code (3D-Secure)

What are the costs for Velocity Pay Services?

Unlike most PSP's Velocity Pay is a flat rate service. Velocity charges a flat rate per transaction based on your volume but will never be in excess of £0.10 per transaction. Traditional PSP's can charge setup fees, yearly fees, security feature fees as well a percentage for every credit card transaction. Percentage fees can be as much as 8% per transaction.

The Velocity Pay has two primary solutions to meet your business needs, which are based on the volume of settled transaction that your company completes in a month.

Small Business Solution:

The Small Business Solution is ideal for both new Merchants as well as existing Merchants. The fee for this service is £218.00 per annum or £18.00 per month and includes your first 350 transactions regardless of card type when paid yearly or £20.00 per month when paying monthly

Corporate Solution:

The Corporate Solution is for Merchants that will be conducting large volumes of transactions over the course of a month. Our rates are scaled so that as your volume increases your charges per transaction decrease. The minimum transaction volume for this service is 350 settled transactions per month. There are no other fees to use the Velocity Pay Service.



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Merchant Accounts Explained

If you wish to trade online you will need an Internet Merchant Number. In order to use Velocity Pay you will need to get one from one of the Acquiring Banks that we support.

If you do not know what an Internet Merchant Number is then please read on. This page will explain Internet Merchant Numbers, UK Merchant Services, and what you the Merchant need in order to use Velocity Pay as your Payment Service Provider (PSP).

One of the biggest confusions Merchants face when looking to trade online are Internet Merchant Numbers and the two main types of services that are offered in the UK. The first is to be issued your own Merchant Number from an Acquiring Bank. The second way is to use another companies Merchant Number through what is called a Merchant Bureau.

Having your own Merchant Number is by far the best way to go. Firstly you have proper Merchant Status and as such get better rates from a bank as well as establishing your own trading history, which will help you get even better rates in the future. Most Banks do not take time trading under a Merchant Bureau as proper trading time as the Merchant Bureau take the ultimate financial risk. It is analogous to using someone else's credit card.

If after reading this page you are still confused please feel free to give us a call and we will clarify things for you.

Remember! Getting the Merchant Number process wrong *will* cost your company thousands. Make sure you have a complete understanding otherwise your company will pay for it.

There are a number of types of Merchant Numbers that a Merchant might have or need in order to trade. The differences between the types of Merchant Numbers that a Merchant may have depend on the types of transactions that the Merchant wants to process. Transaction types are differentiated by the presence or lack of presence of both the Merchant and the Card Holder at the time of transaction. For Internet Transactions neither the Merchant nor the Card Holder are considered to be present and therefore is classed as a Card Holder Not Present (CNP)/Merchant Not Present (MNP).

There are three main types of Merchant Numbers. They are categorised according to level of risk they present to both the Merchant and the Acquiring Bank in relation to likelihood that the transaction might be fraudulent. For example a purchase made in a High Street Shop where both the Customer and the Merchant are present for the transaction things like signature in conjunction with other forms of ID can be used by the Merchant to verify that the person holding the card is the person authorised to use the card.

| Type | Merchant Presence | Cardholder Presence | Example |
|------------------------------------|-------------------|---------------------|---|
| Traditional Merchant Number | Present | Present | High Street Shop This is where the card is swiped at the Point Of Sale (POS) . |
| Mail Order Merchant Number | Present | Not Present | Mail Order Company This is where the Card Holder telephones or faxes in Payment Details . The Merchant then keys the details manually into either a Credit Card Machine or a Virtual Terminal . |
| Internet Merchant Number | Not Present | Not Present | E-commerce Company Anyone who uses the Internet in order to process credit card transactions. |

Many Merchants fail to get an Internet Merchant Number because they do not understand the Acquiring Banks Risk Assessment process. As such they are forced to use very expensive processing Merchant Bureaus.

Common mistakes that Merchants make when applying for a Merchant Number are:

1. Selling their online business model to a Merchant Bank as if they were applying for bank loan.
2. Overselling the growth potential of the online aspect of their business model because they think it will impress the Bank.
3. Having a billing model that presents a high turnover risk in the form of potential Charge backs.
4. Badly written or risky purchase Terms Of Service.
5. Poorly designed or unprofessional websites. Remember the professionalism of your company is reflected by your website.
6. Not allowing enough time during the development phase to get through the process and therefore due to financial restrictions are forced to go with a Merchant Bureau.

In order to increase the likelihood of success on the Merchant Account Application Process you need to fully understand and have completed an internal risk assessment as to the types of risk your type of business model will present to the bank in the likelihood of Charge backs and fraud.

If you would like assistance in getting through the Acquiring Banks Risk Assessment Process Velocity Pay will assist you. It is in our best interest to assist you, as you cannot use our service unless you have an Internet Merchant Number. The Velocity Pay Merchant Services Support Team can be reached on +44 (0) 208 9066667.

There are two types of companies that issue Internet Merchant Numbers. Acquiring Banks and Merchant Bureaus. Acquiring Banks are almost always the lower cost options. Merchant Bureaus are traditionally very expensive.

Merchant Banks

Most High Street Banks are Merchant Banks as well or are owned by one that is. By far the cheapest way forward is with a high street bank. There is a vetting and risk assessment process involved that typically takes about 2 weeks. It is not an easy process and without the right information and knowledge you are likely to fail the process or be given a high rate. Before starting the process, we highly recommend you seek advice from an expert. Saving a tenth of a percent can translate into thousands saved.

Companies large and small fail to actively manage their Merchant Fees. The biggest reason for this is lack of knowledge of what they should do and when.

Merchant Bureaus

The primary difference between a Merchant Bank and a Merchant Bureau is the way they handle Merchant-trading risk. By having your own Merchant Number you actually have Proper Merchant Status. This is very good for you the Merchant because it improves your companies' credit rating overtime. The better the rating, then the better rates you get further down the line. Merchant Bureaus do not give you a Merchant Number. Your funds are paid into their Merchant Account and are paid to you in arrears minus a fee. This fee can be as high as 11% of the transaction value. Therefore for a £100.00 transaction you would be charged £11.00 plus lose out on any interest you would have lost by the Merchant Bureau holding your money for up to 60 days.

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Velocity Pay Company Registration Form

Your Company Name: _____

Brief Company Description (i.e. sector / industry): _____

Contact Name and Position: _____

Email address: _____

Web address: _____

Phone number: _____

Current Merchant Account Type (please tick)

- Traditional High Street
- Mail Order/ Telephone
- Internet Merchant Number
- Application is currently being processed
- Do not have one

Current Merchant Account Number: _____

Bank your current Merchant Account is with: _____

Business Bank details to which funds are to be remitted:

Account Name: _____

BSBS: _____

Account Number: _____

Any further comments or information: _____

If you have any questions or queries email us at info@velocitypay.co.uk or call 02089066667.
To Apply for Velocity Pay please fill in the above form, or go to www.velocitypay.co.uk.