

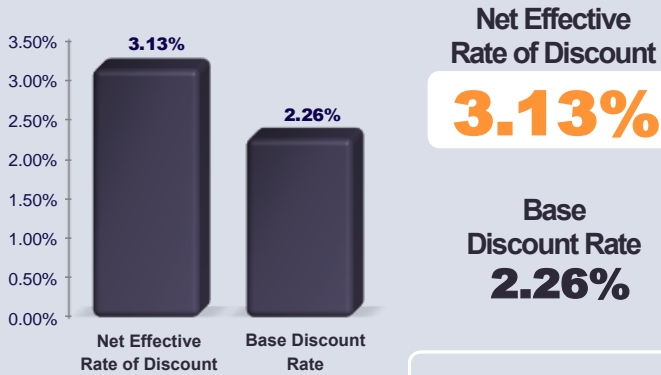
SUMMARY / ANALYSIS

PLAN SUMMARY

COMPANY	SAMPLE COMPANY	STATEMENT PERIOD	5/30/2015	EFFECTIVE DISCOUNT RATE	3.13%
CURRENT PROCESSOR	TEST PROVIDER	# TRANSACTIONS	2349	BENCHMARK RATE	2.43%
AUDITED BY	DAVE RING	\$ NET SALES	\$ 123,750.45	PRICING PLAN	INTERCHANGE
AUDIT DATE	6/17/2015	TOTAL PLAN FEES	\$ 3,877.43	QUALIFIED TRANSACTIONS	39.54%
				AUDIT POINTS PASSED	3 / 11

RATE ANALYSIS

The **Net Effective Rate of Discount** is the true cost associated with card payment processing, calculated by dividing your total processing fees by net volume. The **Base Discount Rate** is the advertised rate on tiered plans and the average processing rate on interchange plus plans. It does not include all of the payment processing fees.



Qualified Transactions

**39.54%**

39.54%

Payment volume processed at the lowest Plan Rate.

*A high Net Effective Rate of Discount and low percentage of Qualified Transactions can be immediately improved with Stryde services.*

AUDIT ANALYSIS

The **Stryde Audit** provides an analysis of current payment processing rates and fee structures, bringing transparency to excessive and hidden fees. The merchant statement is audited and scored against 11 payment processing audit points; the corresponding **Audit Results Score** represents the number of passing audit points. The **Processing Risk Level** gauges the risk of overpayment for merchant card processing services.

**Audit Results Score 3 / 11**



Processing Risk Level



**HIGH RISK**

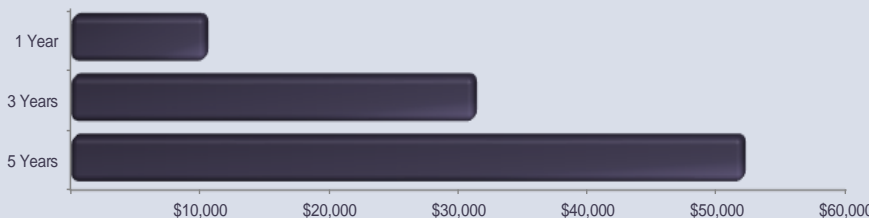
*A low Audit Results Score and high Processing Risk Level are key indicators of overpaying for payment processing services. Stryde can reduce your costs and eliminate high risk by providing transparent solutions for your payment processing.*

SAVINGS SUMMARY

By partnering with **Stryde** we will reduce your payment processing expenses by providing a competitive merchant services plan (Phase I) and ongoing Processing Optimization, aimed to increase your percentage of Qualified Transactions (Phase II). The Savings Analysis demonstrates your annualized savings based on partnering with **Stryde** for your payment processing services.

Savings Percentage

**22.34%**



	1 Year	3 Years
Phase I	6,054.37	18,163.10
Phase II	4,340.67	13,022.01
<b>Total</b>	<b>\$ 10,395.04</b>	<b>\$ 31,185.12</b>

**Savings Potential From Stryde Services**

ITEMIZED AUDIT

1. DISCOUNT RATE

The **Discount Rate Audit** compares the base merchant discount rate against the Net Effective Rate of Discount, the true cost of processing. The base discount rate is misleading, as it does not include all processing costs, causing merchants to believe they have a better rate. Assessments, per item fees, and other miscellaneous fees account for the difference.



FAIL

2. INTERCHANGE PRICING

The **Interchange Pricing Audit** identifies merchants on an interchange-plus rate plan, which indicates the processor is passing through the interchange rate at cost. If the interchange rate is marked up, or if the merchant is on a tiered rate, which buckets hundreds of available rates into just a few pricing tiers, this audit point will fail.



PASS

3. BENCHMARK

The **Benchmark Audit** gauges the merchant's Net Effective Rate of Discount, the overall cost of processing, as compared to that of other similar merchants with similar volume. The Benchmark Discount Rate is the average rate of processing you should expect to pay.



FAIL

4. CHARGE DETAIL PER CARD BRAND

The **Charge Detail Per Card Brand Audit** determines if the merchant statement has excluded key charge details necessary to calculate transactional or volume based fees. By excluding transaction count or amount of volume, the merchant is unable to validate their spend and may be overcharged.



PASS

5. QUALIFIED TRANSACTIONS

The **Qualified Transactions Audit** calculates the percentage of transactions that processed at the lowest plan discount rate (Qualified Rate or Base Discount Rate). The remaining transactions were downgraded and processed at a higher rate. Merchants should expect nearly all of their transactions to be processed at the Qualified Rate.



FAIL

6. STATEMENT FEE ACCURACY

The **Statement Fee Accuracy Audit** re-calculates the entire merchant statement to uncover any discrepancy between billed fees and calculated fees. This ensures the accuracy of merchant account charges listed on the statement.



FAIL

DISCOUNT DETAIL

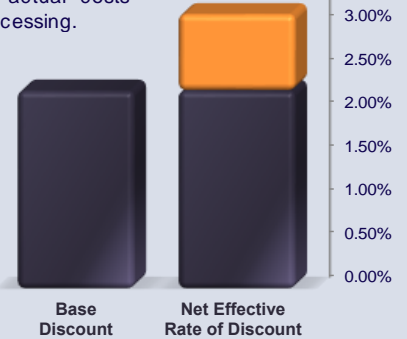
Your Net Effective Rate of Discount is 0.87% higher than the Base Discount Rate of 2.26%. The Net Effective Rate of Discount represents your actual costs associated with payment processing.

Net Effective Rate of Discount

3.13%

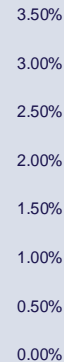
Base Discount Rate

2.26%



BENCHMARK DETAIL

Your Net Effective Rate of Discount is 0.70% higher than the Benchmark Discount Rate of 2.43% resulting in higher processing costs than comparable merchants.



Net Effective Rate of Discount

Net Effective Rate of Discount

3.13%

Benchmark Discount Rate

2.43%

QUALIFIED TRANSACTIONS DETAIL

You processed \$123,750.45 in transactions, of which 39.54% were Qualified Transactions - payments which were processed at the lowest possible discount rate. The remaining 60.46% were Downgraded Transactions, which incur higher processing fees due to either the current pricing plan or missing cardholder data. You should have very few, if any, transactions that are downgraded.



Qualified Transactions

39.54%

Downgraded Transactions

60.46%

ITEMIZED AUDIT

7. PER ITEM FEES

The **Per Item Fees Audit** calculates the average cost charged on a per item basis, by card type; these fees do not include discount fees—just the per item rate. Processors often hide additional per item fees within the merchant statement, including surcharges for non-qualified transactions, making the advertised per item fee seem much more competitive.



PER ITEM FEES DETAIL

Processors may charge a flat per-transaction fee, called a Per Item Fee. The amount listed in the chart at left displays your average Per Item Fee based on card type. If the Charge Detail Per Card Brand Audit point failed, this number represents an estimated average as the statement was missing details.



Advertised Per Item Fees

AM	DS	VS	MC
\$0.08	\$0.05	\$0.05	\$0.05

The Advertised Per Item Fees listed above are the fees advertised by your processor on your merchant statement. The difference is due to strategically hidden surcharges.

8. GROSS VS NET

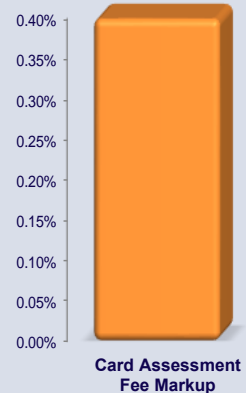
The **Gross vs Net Audit** uncovers a questionable billing practice by some processors in which a merchant is charged based on gross volume and transactions, as opposed to the more common billing practice of charging based on net sales and transactions.



CARD ASSESSMENT FEES DETAIL

Card Assessment Fees are billed by the processor on behalf of the Card Associations and should be passed along to the merchant at cost.

Card Assessment Fee Markup  
**0.40%**



Your Card Assessment Fees were marked up 0.40% on your merchant statement. These assessment fees should have been passed through at cost, without any markup.

9. CARD ASSESSMENT FEES

The **Card Assessment Fees Audit** validates the card assessment fees listed on a merchant statement against the published fees set forth by the Card Associations. These fees are sometimes absorbed in a tiered pricing plan, but if present on a merchant statement, they should be directly passed through to the merchant at cost.



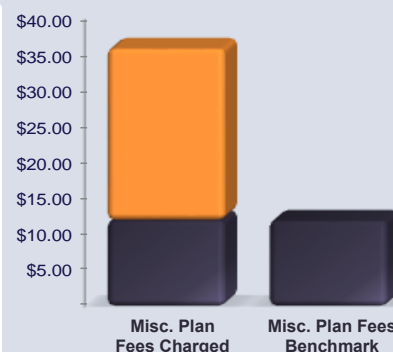
10. MERCHANT CONTRACT ANALYSIS

The **Merchant Contract Analysis Audit** compares the merchant's contractual rates with the processor versus the billed statement amounts. A processor may sometimes increase merchant fees regardless of the contractual rates initially presented to the merchant.



MISCELLANEOUS PLAN FEES DETAIL

Processors add miscellaneous ancillary fees to a merchant's plan in order to increase their profitability on the account. These fees should not exceed the benchmark standard.



Miscellaneous Plan Fees Charged  
**\$ 36.00**

Miscellaneous Plan Fees Benchmark  
**\$ 12.00**

11. MISCELLANEOUS PLAN FEES

The **Miscellaneous Plan Fees Audit** determines the plan fees which are charged by the processor for miscellaneous items such as batch and statement fees, maintenance fees, and other ancillary fees charged for supporting the merchant account. These fees are compared against industry benchmark standards.



STRYDE AUDIT SUMMARY

As a merchant, without transparency, you have no visibility into true processing costs. The **Stryde Audit** provides the transparency and allows you to take control of these costs. After partnering with Stryde, we will **reduce your payment processing expenses** by providing a competitive merchant services plan, in addition to ongoing Processing Optimization and Reporting.

Audit Results: **3 / 11**