

# Credit Card Authorization



## How CCA Works

Authorizations are obtained as sales occur: at the POS prompt "Enter a method of payment" the cashier swipes the customer's card through a mag-stripe reader. The credit card information is captured automatically; there's no keying in of account numbers or the amount of the sale.

WordStock sends a request for authorization to Bank America Merchant Services [BAMS] over a modem line, receives the reply, and automatically prints part of the credit card account number and the authorization number on the customer's receipt.

WordStock prints two receipts: one for the customer to sign, which you retain, and one for the customer to keep.

At the end of the day, you send a summary of all sales to BAMS, via modem. The sales are processed and BAMS transfers the funds for MC/Visa transactions to your bank account, no later than the third business day. AMEX uses its own standard terms to settle with your bank.

*Please note that the settlement is with your existing bank —you don't need to change your bank account(s)!*

## Obtaining Authorizations

A dial-up modem is used to obtain authorizations, with dialing initiated automatically by the POS program. Transactions typically take less than 20 seconds, including time spent waiting for authorization.

In order to use CCA, you'll need to install a dedicated phone line: *you can't use the same modem line that you use for electronic ordering - you must have a separate, dedicated phone line.*

However, because WordStock's software "queues" the transactions from all registers, you'll need only one phone line, not a separate line for each register.

- *The wall jack for this new dedicated phone line should be near your system's computer, not near the POS.*

## Processing Charges

The processing rate for Mastercard, Visa and Discover is determined by the dollar amount of your average credit card transaction, and may be reviewed and adjusted periodically.

For AMEX transactions, there is a small processing fee, in addition to your standard charges, that is based on the dollar amount of your average AMEX sale.

Your standard AMEX charges should be reduced when you implement the CCA program, but the amount of the adjustment will vary from store to store.

- *Contact your AMEX rep to determine what your adjusted rate will be based on authorization and data capture by a 3rd party processor.*

## Availability of Service

Authorizations and ACH settlement for Mastercard, Visa, and Discover will be available as soon as you set up your account with BAMS.

AMEX authorizations will be available as soon as you set up your data capture. AMEX requires that you notify them that you've selected BAMS as your processor.

It ordinarily takes AMEX 6 weeks to process the paperwork, but it can take up to 8 weeks. You'll use AMEX's paper and carbon forms until AMEX certifies that BAMS will handle data capture for your store.

## Required Hardware

*Electronic Credit Card Authorization & Funds Transfer* requires specific hardware because it connects to standardized nationwide authorization networks.

The two key components are a mag-stripe reader and a barcode scanner.

You need one mag-stripe reader for each register at which you want to be able to authorize credit card authorizations.

You'll also need at least one bar code scanner because the mag-stripe reader is programmed by scanning bar coded data into its memory.

Alternatively, you can use Cherry brand keyboards which contain a built-in slot for scanning credit cards, thereby eliminating the need for a separate mag-stripe reader.

Credit card processing hardware may be rented from WordStock at considerable savings over the cost of purchase. *Please contact WordStock Sales for information.*

## Internet Authorization

Stores that have dedicated broadband connection can take advantage of the Internet to receive authorizations almost instantaneously. *Please contact Sales for information.*