

NOTICE OF CHANGES IN AUTHORIZE.NET SETTINGS OF EXPANDED CREDIT CAPABILITIES (ECC)

In our continuing effort to improve our services and payment processing capabilities for our customers, we are adding an additional new feature available with the payment gateway from Authorize.net that will help reduce your risk of credit card refund errors. Following a review of our policies and procedures we are providing our customers with notice regarding changes to the use of the feature called Expanded Credit Capabilities (ECC) in Authorize.Net.

Your Authorize.net account current settings allow for refunds to be processed on any credit card and for any dollar amount.

Effective November 3, 2015, Authorize.net will change your account settings on the gateway to limit credit card refunds to credit cards that had the original purchase transaction and not to exceed the original purchase amount. The purpose of this change is to help reduce errors when processing refunds to the wrong credit card and for the wrong amount. However, depending on your level of internal processes and controls, you may not need or want this added feature. In these circumstances, Authorize.net has a product function called Expanded Credit Capabilities (ECC).

Expanded Credit Capabilities is a feature that allows a Merchant to credit (refund) a consumer's credit card or bank account regardless of the amount of the credit and/or regardless of whether a previous debit (charge) had ever been made to such credit card or bank account via the Authorize.Net Payment Gateway. While expanding your refund capabilities, please note that enabling ECC as a part of your payment gateway account increases your exposure to possible errors.

When the Expanded Credit Capabilities is enabled, all credit transactions processed through your payment gateway account will bypass the referential checks in the payment gateway's Credit-Return feature. Anyone with sufficient permissions will be able to issue credits to consumer credit cards or bank accounts **without** the following limitations that have been placed on other merchant payment gateway accounts:

- 1) Credits may only be issued with a valid transaction ID against a transaction settled through your payment gateway account to the same credit card type and number or bank account as the original debit transaction, and
- 2) The sum of all credits issued cannot exceed the amount of the original debit transaction.

Please note that Expanded Credit Capabilities are available only to merchants who submit credits via the Advanced Integration Method (AIM), the Simple Integration Method (SIM) transactions, or via the Virtual Terminal or Upload Transaction File features of the Merchant Interface

Further information on connection methods can be found at

<http://www.authorize.net/content/dam/authorize/documents/connectionmethodsguide.pdf>

Please be aware that on November 3rd 2015 all Authorize.Net accounts will have the ECC feature disabled.

What action do you need to take if you DO NOT want to use ECC?

No action is required at this time as any accounts that have this feature enabled will be disabled automatically on November 3rd 2015

What action do you need to take if you WANT to use ECC?

Effective November 3rd in order to ensure the proper and authorized use of the feature in your business environment please complete and submit directly to Authorize.net the form available at <http://www.authorize.net/files/ecc.pdf>

Once you have submitted your request directly to Authroize.net, please also send a copy of the completed document to paymentprocessing@freestylesolutions.com and we will help validate the change is made with Authorize.net.

Note that your request may take up to two business days to be processed by Authorized.Net

For any questions about these changes or if you need help in submitting the request form please contact us at paymentprocessing@freestylesolutions.com

More information about processing credits in Authorize.Net can be found at <https://support.authorize.net/authkb/index?page=content&id=A472&pmv=print&impressions=false>

Thank You

Freestyle Solutions