



PARTIAL AUTHORIZATION WHAT YOU NEED TO KNOW

HOST
MERCHANT
SERVICES



www.hostmerchantservices.com

MasterCard and Discover have enacted rule changes that require merchants in the U.S. to support partial payments. Host Merchant Services is here to guide you through this change with a concise explanation of what this change means for you as a merchant.

What is Partial Authorization?

A Partial Authorization occurs when an authorization is attempted for the full amount of the transaction and there are not enough funds available to cover the full amount, so an authorization for the amount available in the account is returned. This allows the cardholder to use the card presented for the amount available and for the merchant to obtain an additional form of payment for the difference. For Prepaid Gift Cards, the issuers will also return a card balance which will be printed on the receipt.

When Does This go into Effect?

The actual mandate went into effect in 2010. We were granted an extension to implement this in October, 2011.



REFER A FRIEND BONUS PROGRAM

- Get a \$50 Visa Giftcard as a bonus for each friend you refer to HMS.
- No limit to how many friends you can refer to qualify for this program.
- The bonus is earned once the friend you refer starts processing with us.

To find out more about this program contact us at 1-877-517-4678 or visit us online at:
www.hostmerchantservices.com/refer-a-friend



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How Will it Help Merchants?

It will hopefully result in fewer declined transactions at the point of sale. In addition, it will provide prepaid gift cardholders with an account balance for ease of future purchases.

Here's a Sample Receipt:



This is a sample receipt that shows a Partial Authorization.

Merchants Need To Be Sharp

Merchants will need to pay close attention to the authorization message and receipts being returned at the point of sale. In cases where only a partial authorization is returned, the merchant will need to collect another form of payment for the difference. In the instance where the cardholder does not have another form or payment to pay the difference or wants to use a different form of payment for the full amount, a real time partial authorization reversal must be performed.

What are Real Time Partial Authorization Reversals?

The MasterCard mandate requires that all merchants also support a consumer requested reversal. This transaction would be requested by the cardholder if they did not have another form of payment to pay for the difference between the original amount and the amount that was partially authorized. This could also be requested if the cardholder wanted to use another form of payment for the entire purchase.



The Hypercom
T2405 Terminal.

Does This Change Apply to all Merchants?

The mandate is actually driven by MCC. Card not present merchants are not included at this time but because most common card present merchants are, we have made the decision to turn this functionality on for all new merchant POS Terminal implementations where the POS terminal device supports it.

What POS Terminals Support Partial Authorization?

All Core Terminals will support partial authorizations and reversals. At this time, the terminal vendors are working to get POS applications certified. We will release the list and the dates as soon as the information is confirmed. Please see your **SPECIAL INSERT** for terminal specific instructions and information regarding Partial Authorization.

For More Information

CONTACT US TODAY

Don't forget Host Merchant Services provides its customers with a steady stream of helpful tools and resources. Such as:



Our blog, updated regularly with information and news that affects payment processing can be found at www.hostmerchantservices.com/blog



Our Facebook page with daily updates on news about the industry and our customers can be found at: www.facebook.com/HostMerchantServices



Our twitter feed keeps you up to date about the company here: [@HostMerchant](https://twitter.com/HostMerchant)