



# FREQUENTLY ASKED SALES QUESTIONS

## 1. What features does the SPS gift card program offer?

The POS terminal offers the user or store owner the ability

- to either activate a card by selling it or by giving it away as complimentary gift card
  - **Note:** Complimentary cards are generally provided when
    - i. a customer has returned merchandise (that wasn't purchased by means of a gift card) and the store policy is to issue a gift card in lieu of a merchandise refund, or when
    - ii. the merchant wishes to add value to a series of gift cards and use them as promotional incentives to drive additional store traffic (i.e. spend \$100 and I will give you a \$5 gift card) or when
    - iii. the customer has been given poor service (i.e. as in a meal at a restaurant)
- to run a transaction where the customer is using their gift card to make a purchase
- to perform a "balance inquiry" directly from the terminal
- to add value in any amount (a "balance increase") to a customer's card
- to produce a terminal report showing a card holder's transaction history
- to assign passwords (a maximum of nine) to store personnel (shift managers, etc.) for card activations and balance increases.
- to produce a terminal report detailing all transactions in a given batch
- to either (a) manually close a batch or (b) have the terminal auto close or (c) have the host processor close the batch since transactions are not stored in the terminal.
- to view a "batch close report" that separates totals by type of transaction (activations, transactions, balance increases, voids, etc.)
- to run the transactions either dial-up or via IP connectivity

- to “void” a transaction if the batch that the original transaction belongs to is still open, or “credit” a transaction if the batch that the original transaction was in is already closed
- to transfer a balance from one card to another (in the event two or more card holders desire to combine their balances)

## 2. What WEB / OnLine Reporting Features Exist?

Merchant locations are entitled to have a unique Login at: [www.securepaymentsystems.com](http://www.securepaymentsystems.com) to view (a) all daily transaction activity (in detail vs. the condensed data available from a terminal report), and (b) invoice detail, and (c) card history, and (d) transactions that result from a group of stores sharing a common gift card whereby SPS shall perform ACH transfers between such stores so as to debit the card activating location and credit the redeeming location selling the merchandise. This login is comprised of a User Name (the merchant number) and a Password (assigned by SPS).

## 3. “Custom” Card Program Questions

**(a) Can custom cards be shared between multiple locations of the same owner?**

Yes, but each location will still have its own set of transaction fees and monthly fees.

**(b) Can custom cards be shared between multiple locations of different owners (such as franchise owners sharing a common, corporately branded card design)**

Yes, but each location will still have its own set of transaction fees and monthly fees, plus the owners must decide how to divide up the order so as to evenly spread the setup cost and plastics costs.

**(c) In the case of different store owners, how does the store redeeming a card sold somewhere else in the franchise chain ultimately get compensated?**

Every night SPS analyzes all transactions in all closed batches to determine which transaction is the result of a card activated in one location but redeemed in another of a different owner. These transactions are then loaded into the Online WEB reporting and are sent into the Automated ClearingHouse (ACH) System to debit the card activating store and credit the card redeeming store. Please note that separate transaction fees apply for moving funds between locations.

**(d) What happens in the funds movement scenario of participating franchisee’s if the debit to the activating store fails due to insufficient funds or a closed account (i.e. the card activating store has gone out of business)?**

In the program pricing for franchise participation, SPS would have imposed a small monthly flat fee to allow for these conditions and, as such, SPS is financially liable such that the redeeming store always gets funded and, in fact, never knows that a problem with the activating store ever existed.

**(e) If a merchant has multiple card designs and wants, for example, 3 designs of 1,000 cards each, how is that priced?**

Each design would incur its own setup fee, plus the plastic cost would be set at the 1,000 card rate given there are three separate print runs (even if the back of the card is the same in all three instances). The merchant would not be entitled to the price break reserved for the 2,500 order quantity. In this case, given there are three designs, there are three orders of 1,000 cards each, not one order of 3,000 cards.

**(f) Are there extra costs for specialty cards, like metallic cards, or cards with embossing, or cards that are integrated into a plastic hanging piece like you might see in a grocer?**

Yes, to all three situations described above. Embossing and metallic surcharges are reflected in the salesperson's pricing while integrated hanging gift cards require a custom quote based on size and quantity.

**(g) Are there extra costs for using specialty pos systems such as those in restaurants?**

Yes, and you must confirm that the software system is compatible with the SPS certification list (specifically Aloha, Micros, Positouch, and PC Charge) and correct version level. In general, there is a small setup charge followed by a recurring flat monthly fee surcharge.

**(h) What accessories come with the Custom card program?**

In the custom program everything is a la carte such that the merchant may select from, and individually pay for, holders, hangers, envelopes, acrylic displays, wire display racks (for use with hangers), and table tents. Only reverse window decals and cash register decals come included. If the merchant wants custom holders then pricing has been established for standard size, black and white, or 4 color (4 over 1) holders and hangers.

**(i) Can the merchant have a custom back to accompany the 4 color custom front?**

Yes, as long as we are producing a custom card, there is no additional charge to produce a custom back with the following exceptions: (1) there is a \$.05 surcharge per card to use a wide magnetic stripe (also known as high coefficient or "Hico" for short), and (2) there is a surcharge to use more than one color on the card back (normally "black") such that the surcharge is \$20 per extra color for the setup, and an extra \$.07 per color per card. A four color back (also known as 4 over 4) would cost an extra \$60 and additional \$.21 per card.

**(j) How long does it take to get a custom card once an order has been submitted?**

Custom cards will not get into the print queue until a signed proof is received by SPS. A proof or design assistance will not begin until the merchant agreement is properly

completed and submitted. Once a design has been properly submitted to SPS, an electronic proof will be prepared and emailed back to the merchant for signature and faxing back to SPS. Orders will not be processed without a signed fax or signed email scan. From that point of receipt, orders will generally take 15 business days of print time plus an additional 3 days for delivery. Please note that an additional week will be required during each XMAS holiday season beginning early November. Rush orders will not be processed with any extra priority given that everyone has a “rush” order at that time of year.

**(k) If the merchant doesn't have a professional card design, can SPS assist?**

Yes, however there is a flat fee of \$85 that the merchant must accept on the custom gift card application for which a couple of designs based on the merchant's input, logo samples, etc. will be created.

**(l) Are expiration dates or dormancy fees recommended on behalf of the merchants?**

In numerous jurisdictions, legislation is pending, or has already been enacted, to prohibit expiration as well as dormancy service charges, and as such, we recommend implementing neither so as to avoid future consumer and legislative conflict.

**(m) Is there a minimum order or re-order quantity for a custom card program?**

Yes, 250 cards is the minimum custom order quantity at all times

**(n) Can a merchant buy some “SELECT” cards while waiting to receive a custom order?**

Yes, the merchant may purchase 100 cards for a flat \$150 (no monthly fee) plus delivery for which their business name will be imprinted on the “Select” card of their choice. They will have cards in as soon as 5 business days instead of 20 business days.

**(o) When involved in a large promotional effort, can a merchant ask SPS to “Pre-Activate” a series of gift cards for a fixed amount per card so as to avoid manual entry?**

Yes, however the minimum range is 100 cards, the cards must all be in sequence, and the fee for doing such is the same as if the merchant were to activate the cards. A simple email from the merchant (which will be verified for authenticity with a phone call back to the merchant based on the original contract information) with the beginning card number, ending card number, and fixed dollar amount that applies to all the cards is all that is needed.

**(p) Can a merchant that already has custom gift cards from a previous supplier use the SPS stored value processing service without ordering new cards?**

Before we can determine if the old cards can be used we must have you do several things: (1) we must have a sample card to test to prove the card is readable and (2) the merchant must agree to a one-time database conversion fee of \$95, and (3) the merchant must provide us with an electronic excel spreadsheet giving us the magnetic stripe card number, the printed reference number, and the associated balance of each card, even those that have not yet been issued, and (4) the merchant must stop taking gift cards for 24 hours to allow us to import the database. If any one of these conditions cannot be met (especially item 1 for card readability) then we cannot proceed.

## 4. “SPS SELECT” Card Program Questions

**(a) What is the “SELECT” program?**

It is a program comprising a series of semi-custom, pre-designed card styles and holders that a merchant may “select” from in exchange for paying a nominal setup fee and low fixed monthly fee for a 24 month term. The monthly fee is dependent on the “SELECT” program chosen, of which there are 4 options available, each of which offers different card quantities: Select 1 (100 cards/holders), Select 2 (250 cards/holders), Select 3 (500 cards/holders), and Select Plus (500 custom cards/semi-custom holders). Because there is little customization other than printing of the business name on the card (additional lines of print are allowed) the card styles are kept in inventory and are generally delivered quickly.

**(b) Can a merchant upgrade from a “SELECT” program to a “Custom” program?**

Yes, however the merchant must still finish paying off the remaining months of the term that he/she is currently in. As a result, the merchant would have 2 gift card programs running concurrently, which is not a problem given either of the program’s cards can be activated or redeemed in that location.

**(c) Can a SELECT card program be shared among multiple stores?**

Yes, however all the stores must be under common ownership. Each location, above and beyond the first one which is assessed the primary fees, will be assessed a small start up fee and nominal flat monthly fee monthly fee.

**(d) Do the SELECT programs have transaction fees of any kind?**

Not normally, however if we are moving funds on behalf of an owner that owns multiple locations sharing a Select program, then fees for ACH’s between stores would be levied.

**(e) If a location needs more cards then what do they do?**

The merchant can order either 100, 250, or 500 cards for a fixed amount dependent on quantity so the flat monthly fee of the initial Select program does not change.

**(f) What does a merchant receive in their initial SELECT order?**

The merchant receives cards, their choice of holders or hangers, an acrylic countertop display (or hanger display rack if hangers are chosen), table tent, window and cash register decals, and terminal instruction “quick reference” card. The quantity of cards, holders, or hangers, as well as size of acrylic display, is based upon the SELECT program chosen.

**(g) How many lines of text can the merchant have printed on the card?**

The selected card style and font size may limit how many additional lines of print are available. The first line of print is included in the package price. For each additional line of print a fee of \$.05 per line per card is assessed.

**(h) What is SELECT PLUS ?**

SELECT PLUS is a monthly, flat fee program that actually includes “Custom” cards. Like any custom card program the merchant must provide a design in the required graphics format or a design assistance fee of \$85 will be assessed to either correct what was provided, or create a design from scratch. Generic holders are also included at no additional cost. Given that these are true custom cards delivery will be on the order of 15 business days (plus 3 days delivery) from submission of a signed proof.

**(i) When can a merchant expect delivery of a standard SELECT program order?**

SPS will ship the package to the location or sales representative (whichever was selected in the merchant agreement) in approximately 3 business days.

**(j) Can a merchant customize any portion of a SELECT card order?**

Other than the lines of text that will be printed on the front of the card the answer is that there is no other customization allowed.

**(k) What do other merchants print on the front of the card?**

Merchants have chosen to always print their DBA business name and, in some instances, a combination of the following has also been added based on space available:

1. website address
2. physical street address, city, province, postal code
3. telephone number including area code
4. if more than one location, then city names and phone numbers

**(l) Can a merchant split their SELECT order into different quantities of different SELECT card styles? For example, can a merchant with a SELECT 1 program ask for 50 cards of 2 different styles?**

Yes, we allow a merchant to split an order in half to utilize 2 different card styles (but not more than two), however a set up fee of \$25 is charged for the additional card style.

**(m) Does a merchant have additional fees for specialty restaurant pos software?**

Yes, just like the custom card program, however the fixed monthly fee surcharge is a little bit lower given the lower card quantities associated with the SELECT programs.

**(n) What happens after the 24 month term is over?**

The flat monthly fee continues though the merchant is entitled to an additional card order (that can be requested by the merchant at any time subsequent to the end of the initial term).

## 5. Loyalty Card Program Questions

### What are the basic program features?

- (a) The loyalty card can either be independent of the gift card (i.e. a different design) or integrated into the gift card design to provide “dual” functionality!
- (b) The merchant can create up to 3 different rewards levels
- (c) The merchant can implement a program based on tracking amounts, points, or visits. If points are selected then the merchant must provide us with a conversion ratio (i.e. 10 points for every dollar spent).
- (d) Custom receipt text will be printed based on what the merchant wants to say when a reward level has been reached. For example:

“Congratulations! You have reached reward level 1 which entitles you to 10% off on your next visit. Simply bring in this receipt to redeem your reward!”

Or, if it is a dual gift/loyalty card, the reward receipt text might even read as:

“Congratulations! You have reached reward level 1 which entitles you to \$10 being put directly onto your gift card. You don’t have to do anything to redeem this reward as we’ve done this instantaneously for you! Thank you for your loyal patronage.

- (e) In all cases a loyalty set up form must be properly completed and submitted. Once installed, a merchant cannot flip flop between tracking of amounts, points, or visits (without completely starting over and wiping out all prior activity).
- (f) If the merchant chooses to track number of “visits” then the merchant may also exclude counting of visits where the amount spent in that visit is less than the merchant’s threshold (i.e. a merchant may not want to count visits where the customer spends less than \$2.50).
- (g) Can multiple merchant locations of the same owner share a common “loyalty” card?  
Yes, but the reward conditions must be the same for all participating locations.
- (h) Can multiple merchant locations of different owners share a common “loyalty” card?  
Yes, but the reward conditions must be the same for all participating locations.
- (i) Can the merchant decide to have no reward levels, but instead request that a fixed percentage of every single transaction amount be added instantly as a balance increase to the gift card portion of a dual gift/loyalty card?

Yes! Absolutely.

## **CUSTOM Card Programs – “Loyalty” Included**

Loyalty plastic card pricing and set up fees is the same as gift card fees. If the loyalty service is delivered as an integrated, “Dual” purpose card then the merchant really has no additional fees above and beyond what is already quoted for gift card processing. Loyalty transaction fees are the same as gift card transaction fees.

## **SELECT Card Programs – Loyalty Included**

Loyalty as a stand alone program has the same fee structure as a stand alone gift card flat monthly fee program. However, if it is a dual purpose card, then the flat monthly fees are increased nominally to cover the estimated number of loyalty transactions expected within the selected program. The only caveat is that there is an annual limit to the number of “free” loyalty transactions embedded within each SELECT program. Above and beyond the annual limit for each program the loyalty transactions are surcharged with a transaction fee, on top of the flat monthly fee. If, by month 9 of the 24 month program, the merchant has exceeded the stated number of loyalty transactions allowed for the program, then a loyalty transaction fee kicks in until the conclusion of the first year, upon which the counter resets itself back to zero and the merchant gets another year’s worth of loyalty transactions. The merchant application requires that you fill in the transaction fee for the excess transactions. If you do not fill this in, and loyalty has been selected, the contract will not be processed as the merchant must consent to all the appropriate fees.