

InterPayments

Powering Precise Surcharging

How InterPayments Surcharging Helps Billtrust Merchants

2025

CONFIDENTIAL

The Value of Surcharging with InterPayments

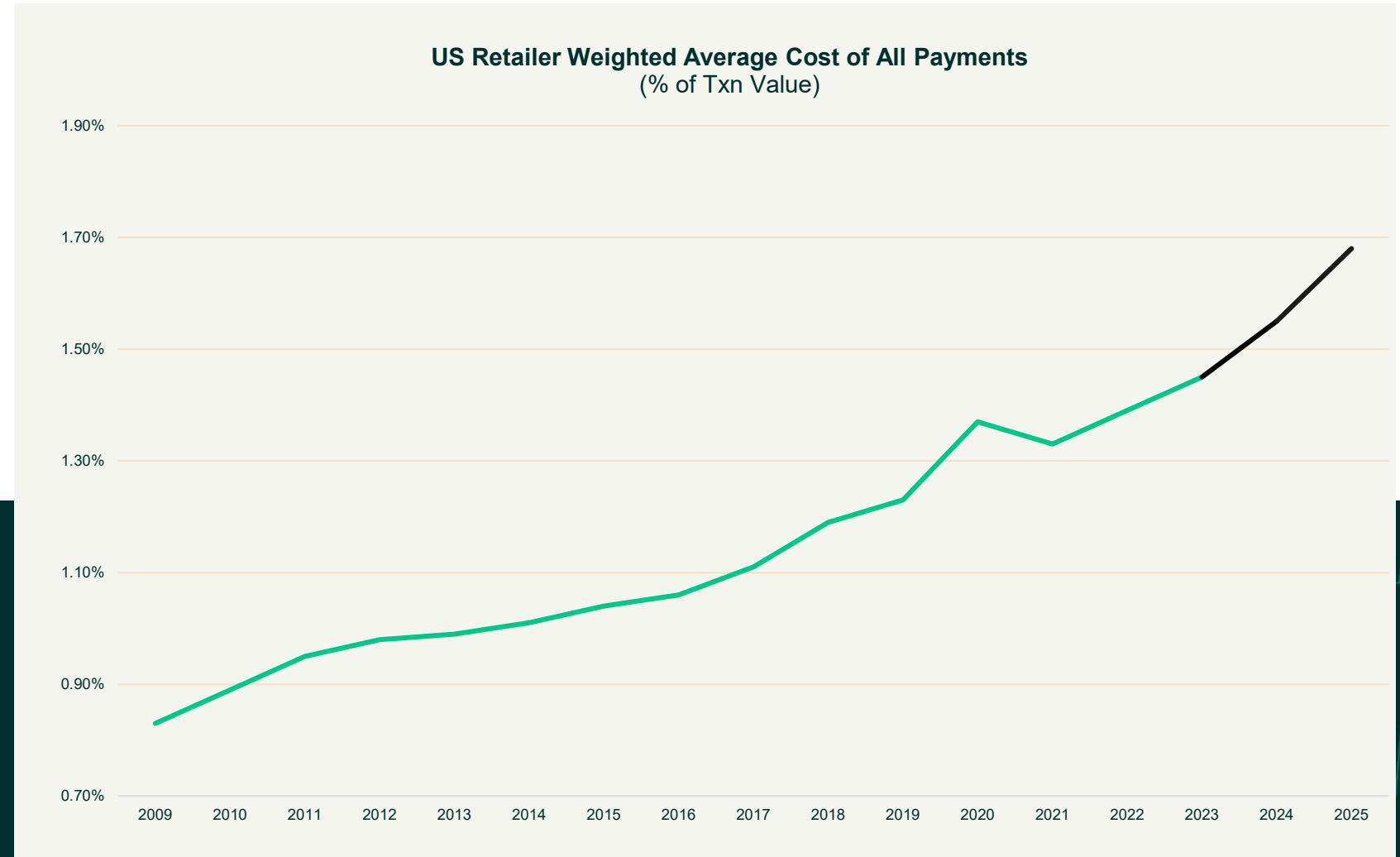
InterPayments



Payment costs keep rising for merchants

Causes

1. Increasing per transaction fees
2. Rising digital sales
3. Historic inflation





Merchants need a solution to rising card fees

34%

of US SMB
merchants surcharge

63%

of B2B merchants want
an easy surcharging solution

Sources: [JD Power](#); January 14, 2025
[The Strawhecker Group](#); NACM/WorldPay [Survey](#)



Drivers of Surcharging

Why do merchants choose to add this solution?



Margin Growth

Credit card fees unacceptably eat into profit margins

Merchant may also be looking at other cost reducers, or raising prices



Competition

Direct competitors have successfully implemented surcharging

Shows surcharging has already been accepted by the market

Surcharging competitors can compete more strongly on price



New to Cards

Merchant has never accepted cards because the cost is too high

Merchant is losing business due to lack of payment options

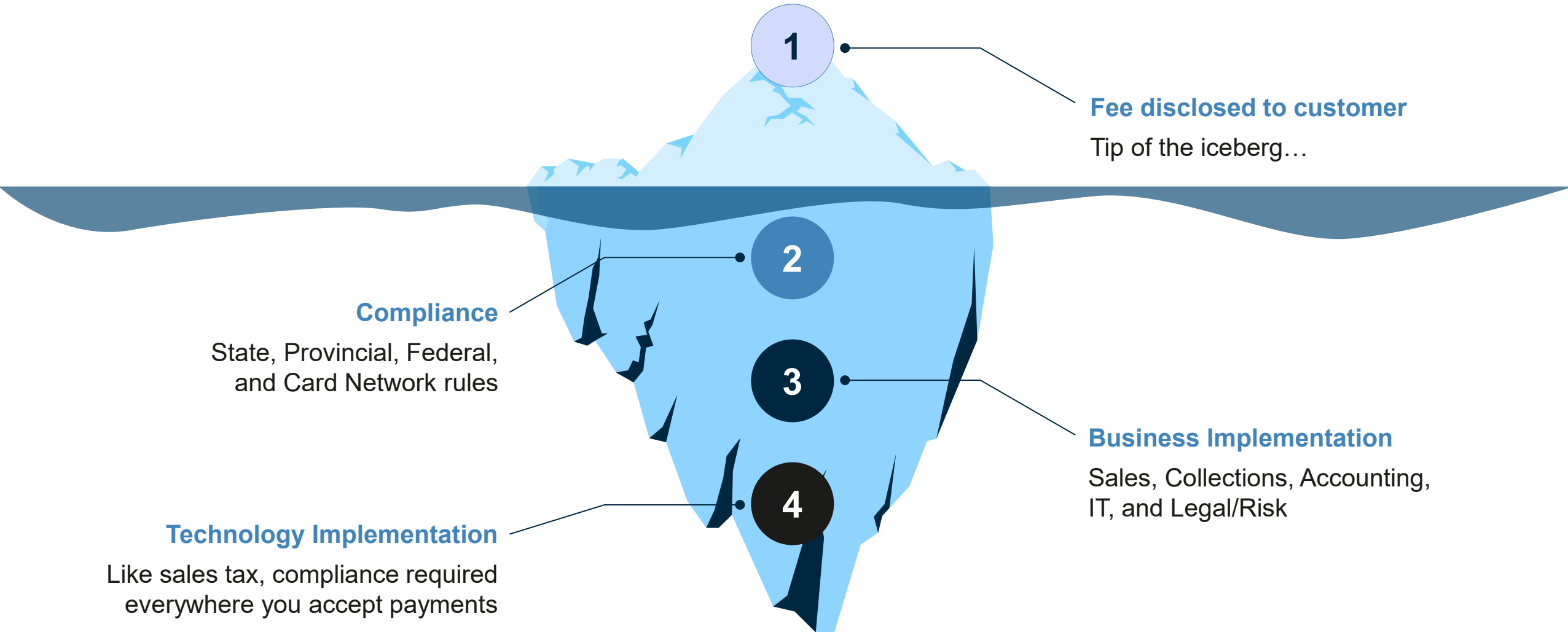
Surcharging bridges the gap



Merchants who already surcharge may also be looking to switch to a compliant solution.

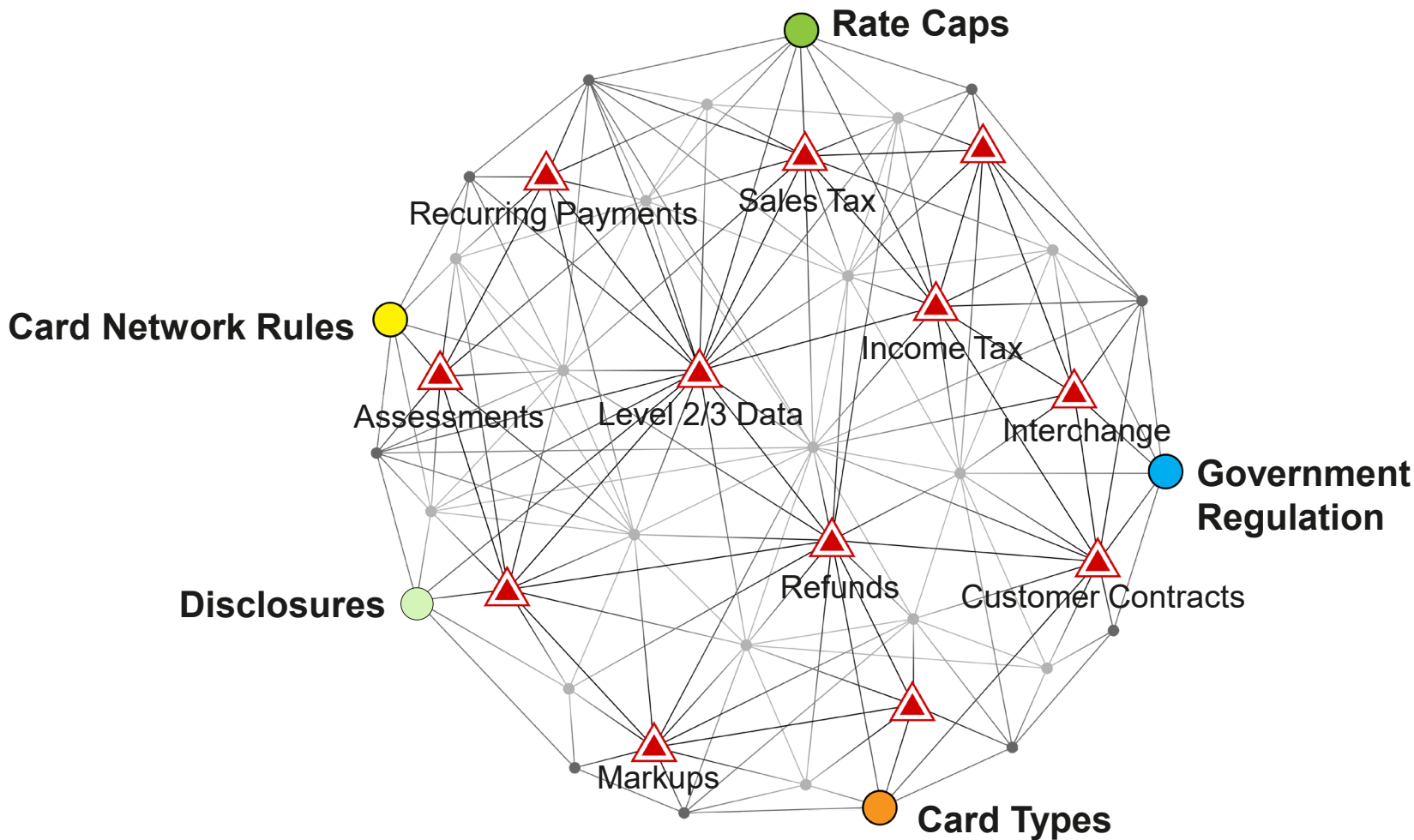


Surcharging impacts your entire company





Surcharge compliance is as complex as sales tax



Compliance enforcement is real and increasing.



How Our Partnership Helps Merchants

A tool to selectively share credit card fees with customers



Safe from Risk

Automated frequent compliance updates

Defense from alleged infractions

Contractual indemnification against fines



Fully Vetted

A trusted, recommended solution

The market leader in compliance

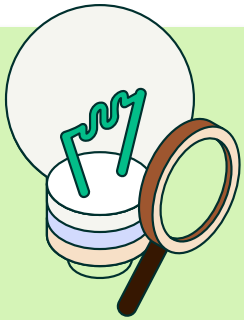
Best-in-class onboarding and implementation



Surcharging Powered by **InterPayments**

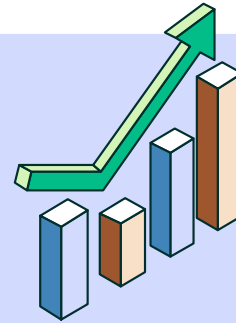
Convenience Fees Vs Surcharging

Surcharging is often a more viable option



What is it?

- Charged on all payments made in a non-primary payment channel
- Flat dollar value on every tx
- E.g. Buying a show ticket online instead of at the box office may incur a convenience fee



Why prefer surcharging?

- **Flexible** – Works in all payment channels, including the primary channel
- **Targeted** – can target business lines and customer groups
- **Scales with Transaction** – percentage, not flat rate
- **Fair** – Allows for customer choice



Canada Considerations

Talk to Billtrust Payments team if you have an interested Canadian customer

- 2.4% maximum surcharge rate
- Must display both surcharge \$ amount and % prior to payment
- Surcharging prohibited in Quebec
- Visa does not require 30 day notices
- Mastercard requires CA-specific form
- Some acquirers require webform notice instead of email notice (Chase)

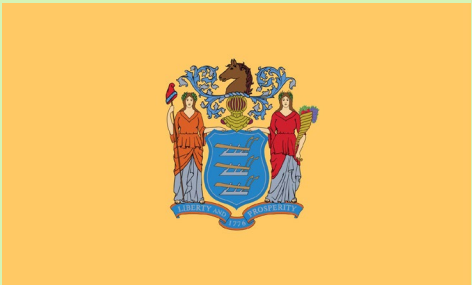


- 3% maximum surcharge rate
- Must display surcharge \$ amount only prior to payment
- Surcharging prohibited in some states
- Visa requires 30 day notices
- Mastercard requires US-specific form
- Acquirers require email notice





Other Regulatory Topics



States



Puerto Rico



Sales Tax



How InterPayments Helps You

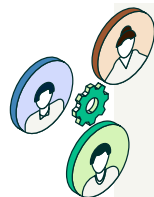
Heighten your sales impact with the latest messaging



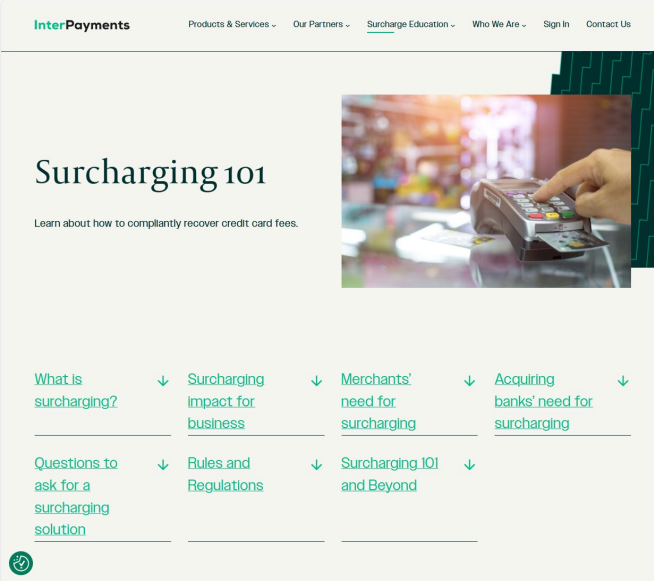
A Resource Center custom-built for our partnership.



The InterPayments Pulse Newsletter: The latest trends, regulatory news, and events, all in one place every month.



A Dedicated Team: Reach out any time for answers or backup.



Get evergreen
surcharging knowledge
at Surcharging 101 on
the InterPayments
Web Page.

Q&A

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