

## Answers to your questions about the EU regulation on interchange fees for card-based payment transactions

As of: 27 April 2016

### 1. What is the subject of this regulation?

The EU has passed a regulation on interchange fees for card-based payment transactions. This EU regulation lays down maximum limits for interchange fees on national and intra-European card payments. Acquirers are required to inform their customers about how the service fee ('discount') is made up of the merchant fee, interchange fee and the fees of the card organisation, and offer their customers service fees itemised by card type and brand.

### 2. How high are the interchange fees?

The interchange fees are determined by the card organisations. The interchange fees can be found on the websites of the card organisations. The maximum limits as determined by the regulation are as follows:

0.3% for payments made with consumer credit cards issued by banks within the EEA

0.2% for payments made with debit and prepaid cards issued by banks within the EEA

In the girocard system operated by the German banking industry, the authorisation fee is subject to a maximum limit of 0.2%.

### 3. To which payments do the maximum limits apply?

The maximum limits apply to payments made in the EEA with cards issued to consumers by banks in the EEA. There is no maximum limit for payments processed outside of the EEA or payments made with company credit cards or consumer cards from issuers outside the EEA.

### 4. How high are the card scheme fees?

The amount of the fees to be paid to the card organisations is determined by the technical criteria of the transaction. Under 'Downloads' (LINK), Concardis provides you with an overview of the average fee amounts.

### 5. What is the merchant fee comprised of?

In addition to the interchange fee and the card scheme fee, the service fee consists of the merchant fee ('acquirer service fee'), which covers the costs for processing, risk and service. This part of the fee is not regulated by the EU.

### 6. Does my acceptance agreement remain in effect?

All existing acceptance agreements remain in effect. Concardis pools the interchange fee and the card scheme fee for all card types and brands in the service fee. This price model offers price stability, calculation surety and transparency. Please contact us if you would like to receive an invoice itemised by card type and brand in future. We would be happy to provide you with a quotation. For large customers, the Interchange++ model – which invoices all three components separately – is also a possibility.

Glossar	
Card scheme fee	Acquirers and card issuers are licensees of the card organisations and use services of the card organisations for processing the payment transactions. For this, the card organisations assess licencing and service fees to acquirers and card issuers. The card scheme fees are not subject to the determinations of the EU regulation.
Interchange fee	Interchange fees are fees paid by the acquirer to the issuer of the card used for every card payment.
Service fee	In the EU regulation, 'service fee' represents the total fee to be paid by the merchant to the acquirer. In Concardis' service agreements, this fee is also referred to as the 'discount'.
Authorisation fee	Within the electronic cash system of the German banking industry, the card-issuing bank receives an authorisation fee.
EEA	European Economic Area (EEA). This is made up of Liechtenstein, Iceland and Norway as well as the EU member states: Belgium, Bulgaria, Denmark, Germany, Estonia, Finland, France, Greece, United Kingdom, Ireland, Italy, Croatia, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Austria, Poland, Portugal, Romania, Sweden, Slovakia, Slovenia, Spain, Czech Republic, Hungary and Cyprus.