

Underwriting Requirements

The purpose of this document is to guide Netevia's partners in submitting the correct documents to complete due diligence and board the Merchant's to Netevia successfully. The following will be required:

Basic KYC and KYB

- 1 Complete Merchant application
- 1 month of most recent processing statements (unless otherwise specified by industry)
- Business License, Articles of Inc and/or Registration with the Secretary of State
- Marketing material
- Government issued ID (positive matching Clear or TLO report)
- Passed Giact, preprinted voided check, Bank letter or Netevia banking (bank will NOT accept starter check, deposit forms, or opening letter forms)

MOTO/Internet merchant will also need the following:

- MOTO/Internet Questionnaire section of application must be completed
- 3 months of most recent processing statements (if available, can be waived for low risk)
- 3 months of most recent business bank statements (3 months of personal bank statements if business is new)
- Accounts requesting \$90k per month will need to submit financials (Balance Sheet, Profit & Loss sheet)
- Reserve may be required (Underwriter's discretion)
- Signed CMS Form
- Whols Registration (if not public)
- Merchant descriptors will be the merchant URL
 - No phone numbers may be part of the descriptor
- Live Active Website
 - Must include Terms and Conditions
 - Must include Privacy Policy
 - Must include Contact Page
 - Must include Checkout Page
 - Must include Visa/MC logos

Please see specifics for the following type of verticals:

Collections – MCC 7322

- Copy of Collection script
- MOTO Addendum
- 3 months of most recent processing statements *
- 3 months of most recent banking statements
- Copy of agreement between merchant and customer
- Collections Acknowledgement and FDCPA Certification form
- Include underwriting requirements listed above

Firearms – MCC 5941 or MCC 5999

- Merchant will be classified as a High-Risk Merchant
- Processing is not allowed until the account is approved by the bank
- Firearms Merchant Affidavit
- 6 months of most recent processing statements
- All legitimate weapons dealers must provide a current, valid Federal Firearms License (FFL) which must be updated annually and will be accepted for the following:
 - Sporting Goods Retailers
 - Firearms retailers
 - Ammunition sellers
 - Gun Repairs
- Non face-to-face and Card Not Present (CNP) sales must ship to licensed retailer (FFL Holder)
- Include underwriting requirements listed above

The following firearms merchants will NOT BE ACCEPTABLE:

- Pawn Shops who deal in firearms, merchant who sell gun parts without Federal Firearms License and merchants who sell firearms at gun shows
- Sales of illegal weapons including accessories that make the weapon function like an illegal weapon (i.e., bump stocks, trigger mechanisms that alter the rate of the weapon, etc..)

Document Prep – MCC 7299

- 3 months of most recent processing statements which should reflect no greater than a 1% chargeback ratio
- 3 months of most recent bank statements
- Include underwriting requirements listed above

Credit Repair – MCC 7277

- 3 months of most recent processing statements and should reflect no greater than a 1.5% chargeback ratio
- 3 months of most recent bank statements
- 10% reserve*
- Copy of telephone script, if account is MOTO
- Copy of agreement between merchant and customer
- Credit Repair Merchant Agreement Certification Form
- Include underwriting requirements listed above

Hemp Cannabidiol (CBD) – MCC 5499

- Merchant will be classified as a High-Risk Merchant
- Merchant:
 - Must be fully licensed by all required Regulatory Agencies
 - Must be fully compliant with all Federal and State Law
- Merchants can be retail card present store front and/or MOTO/eCommerce
- 3 months of most recent processing statements *
- 3 months of most recent bank statements
- 10% reserve for MOTO/eCommerce merchants*
- Merchant should not make any claims of products ability to prevent, treat or cure illness, disease, ailment, or condition.
- Age Verification form
- CBD Certification Agreement
- Product and Price Listing Page 4 of the Merchant agreement certification for CBD
- CBD Prequal form
- Fulfillment agreement for purchase of product
- Merchant may offer products that contain THC biproducts such as Delta 8, 9 THC-A, THC-V etc., provided that the concentration of each is below 0.3%
- Nutraceutical sales models are prohibited for CBD merchants.
- Include underwriting requirements listed above

Vape, e-Cig, Cigarette, Cigar, Tobacco, and Nicotine – MCC 5993

- Merchant will be classified as a High-Risk Merchant
- Merchants can be Retail and/or MOTO/eCommerce
- Processing statements
 - 1 month of most recent processing statements for retail business
 - 3 months of most recent processing statements for MOTO/eCommerce business
- 3 months of most recent banking for MOTO/eCommerce business
- 10% rolling reserve for MOTO/eCommerce merchants*
- Merchant Attestation for Vape, e-Cig, Cigarette, Cigar, Tobacco, Nicotine Form
- Acknowledgement of Addition Regulations for E-cigarette Products Form (ONLY for e-Cig and Vape products)
- Age Verification Form
- “No CBD Attestation” Form (only for merchants where marketing material has been found showing they sell CBD products)
- Include underwriting requirements listed above

Nutraceutical, Health & Beauty Aid – MCC 5969 (Straight Sale not recurring/continuity) – MCC 5968 (Continuity/Subscription Merchant)

- 15% reserve for startup and 10% for merchants with prior processing history
- Legal entities are allowed 2 MIDs, classified under this vertical, but must be materially different products.
For example:
 - Not allowed – Legal entity selling similar products (i.e. Keto supplements, Fat burners, Testosterone booster, appetite suppressants) then additional MIDs will not be provided as all products must process under the same MID to avoid any non-compliance event of load balancing
 - Allowed – Legal entities selling different products (i.e. Keto supplements for 1MID and 2nd MID selling ebooks, digital downloads, skin products, etc.)
- 3 months of most recent processing statement *
- 3 months of most recent banking statements
- Fulfillment agreement
- List of ingredients must be detailed on Merchant’s website
- MOTO/Internet Questionnaire
- Include underwriting requirements listed above

Negative Option Billing – MCC 5968

Negative Option Billing is a payment option where a merchant may offer free or low-cost trial period and Cardholder information is stored and charged for recurring billing/subscription once trial period ends.

No startups will be considered

- 10% reserve*
- Disclosure of significant 3rd party relationships, business, and supplier relationships
- 6 months of most recent processing statements
- 3 months of most recent bank statements
- Most recent two years of CPA prepared, preferably audited, merchant financial statements and/or tax returns.
- List of all Fulfillment Centers, CRMS's and Third-Party entities used
- Screenshots of Card Brand Negative Option merchant website requirements
- Disclosure of the merchant's name and location must be on the website prior to approval.
- Include underwriting requirements listed above

Search Engine Optimization – MCC 7372

- Merchant will be classified as high risk
- 3 months of most recent processing statements *
- 3 months of bank statements
- 10% rolling reserve*
- Merchant will be allowed 1 MID
- Include underwriting requirements listed above

Web Hosting/Design Service – MCC 7372

- Merchant will be classified as High Risk
- 10% rolling reserve*
- 3 months of most recent processing statements*
- 3 months of most recent bank statements
- Merchant will be allowed 1 MID
- Include underwriting requirements listed above

Online Pharmacies (Pharmaceuticals) – MCC 5912 (drug store, pharmacy) or 5122 (Drugs, Drug properties, Druggist Sundries) depending on appropriate type of business

No startups will be considered

- Merchant will be classified as High Risk
- 10% rolling reserve*
- Must be in business for at least 1year
- 3 months of most recent processing statements*
- 3 months of most recent bank statements
- Must be licensed in all jurisdictions operating
 - Legit script registration
- May be limited to the number or products sold
- Include underwriting requirements listed above

Dating Service – MCC 7273

- 15% reserve*
- 3 months of most recent processing statements*
- 3 months of most recent bank statement
- Merchant must not advertise services that are illegal in nature
- Merchant descriptors will be the merchant URL
- Merchant will need to submit Dating Service – Acknowledgement and Addendum form
- Include underwriting requirements listed above

*Can be modified at the Underwriter's discretion