This document outlines the standard operating procedure for boarding new merchants via the Defyne (Privvy) portal. This specialized workflow is designed for streamlined application processing and same-day funding eligibility.

1. Offer Code Selection

How: Navigate to Merchants > Create Merchant and search for the exact name of the required Offer Code (e.g., Cash Discount, Flat Rate, or IC Plus).
Why: Offer codes act as "App Engines" that preload pricing templates, billing types, and product selections. This ensures consistency across your portfolio and significantly reduces manual data entry time.

2. Corporate & Location Information

How: Enter the legal business name and Tax ID (EIN). Ensure you do **not** use dashes when entering the EIN.
Why: Using dashes in the EIN field can cause the system to cut off the final digit, leading to a pended account. Correct TIN information is critical for automated compliance checks under the "TIN Status Description".

3. Ownership Details

How: Enter details for any owner with 25% or more ownership, including Name, DOB, and SSN.
Why: Regulatory requirements mandate identifying all significant beneficial owners. Note that while most sensitive data can be toggled to "hidden," the SSN field is restricted for security.

4. Processing Profile & Underwriting Exceptions

How: Input the projected Monthly Volume, Average Ticket, and High Ticket amounts.

- **For volumes $70,000–$100,000:** Enter exactly $70,000 in the application.

- **For volumes over $100,000:** One month's processing statement must be attached.
  Why: These specific thresholds trigger different levels of automated vs. manual underwriting review. Accounts over $100k require verification of previous processing history to mitigate risk.

5. Pricing Tab & The CD Differential

How: Navigate to the **$ Pricing** tab. For Cash Discounting (CD) or Dual Pricing setups. Apply the basis point (BP) differential formula to determine the application rate based on the merchant rate.

Merchant Rate	Application Rate	BP Differential
4.00%	3.846%	0.154%
3.99%	3.837%	0.153%
3.50%	3.382%	0.118%
3.00%	2.913%	0.087%

The "Why" Behind the CD Differential:

- **Compliance:** To remain compliant, the merchant cannot profit from the credit card processing. The discount percentage offered to the consumer must represent the actual processing cost.
- **Mathematical Accuracy:** If a merchant adds 3% to a $100 sale, the total is $103. To ensure the merchant receives exactly $100 after fees, the application rate must be 2.913% ($103 x 0.02913 = $3.00).
- **Matching Collections:** A flat rate model is required because IC+ fees often do not match the exact dollar amount being assessed to the consumer at the point of sale.
- **PCI Fees:** Ensure the PCI Non-Compliance fee is set to $69.95 to cover rising costs and protect partner margins.

6. Same Day Funding (SDF) Configuration

How: While keying the initial application, select **Yes** for NDF. Once the full application is entered, return to Merchant Info > Sales Profile, change NDF to No, and then select Yes for SDF.
Why: This specific sequence correctly flags the account for Same Day Funding in the system backend. Note that a $9.95 monthly fee applies for this feature.

7. Banking & Documentation

How: Manually enter the Bank Name (it does not auto-populate) and attach required files like Voided Checks and Driver's Licenses.
Why: Manual entry prevents automated errors found in other portals. The system only allows one file upload at a time, so you must use the "Attach Files" button for each document.

8. Final Submission

How: Click **Send for Signature** to email the merchant the secure link. Do not click "Submit for Processing" until the merchant has signed.
Why: Clicking "Submit for Processing" before the merchant signs will send an unsigned application to underwriting, which will be immediately marked as "Incomplete".

9. Blank Application & Merchant Profile Sheet

1. Blank Application: You can access the Esquire Bank Merchant Processing Application here.
2. Merchant Profile Sheet: Please ensure you use the Merchant Profile Sheet when submitting merchant details to ensure accurate profile building and faster approval.