Residual FAQ

For additional assistance and questions regarding residual, please email [relationshipmanagement@payarc.com](mailto:relationshipmanagement@payarc.com).

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## When are residuals paid?

Payarc commission payments will be made no later than 45 days after the close of the month in which processing occurred. Payarc’s 2024 scheduled residual payment cycle is listed below.

|  |  |
| --- | --- |
| **Residual Month** | **Residual Payment Date** |
| January 2024 | 02/16/2024 |
| February 2024 | 03/15/2024 |
| March 2024 | 04/12/2024 |
| April 2024 | 05/17/2024 |
| May 2024 | 06/14/2024 |
| June 2024 | 07/12/2024 |
| July 2024 | 08/16/2024 |
| August 2024 | 09/13/2024 |
| September 2024 | 10/11/2024 |
| October 2024 | 11/15/2024 |
| November 2024 | 12/13/2024 |
| December 2024 | 01/17/2025 |

## When will my Activation Bonus be paid?

PayArc will pay Activation Bonuses via ACH in arrears on each Friday following the end of the calendar week in which the merchant is Activated, barring holidays or unscheduled downtime due to weather, system outages, or unforeseen events. Please reference the “Addendum to Independent Sales Agent Marketing Agreement Activation Bonus Program” section of your Payarc ISA Agreement for the detailed list of activation bonus payment requirements that must be met per account prior to payment.

## Where do I view my residuals?

Login to Partner Hub and select the “Residuals” dashboard widget. From there, you will be redirected to the “My Residuals” page where you can find your monthly residual.

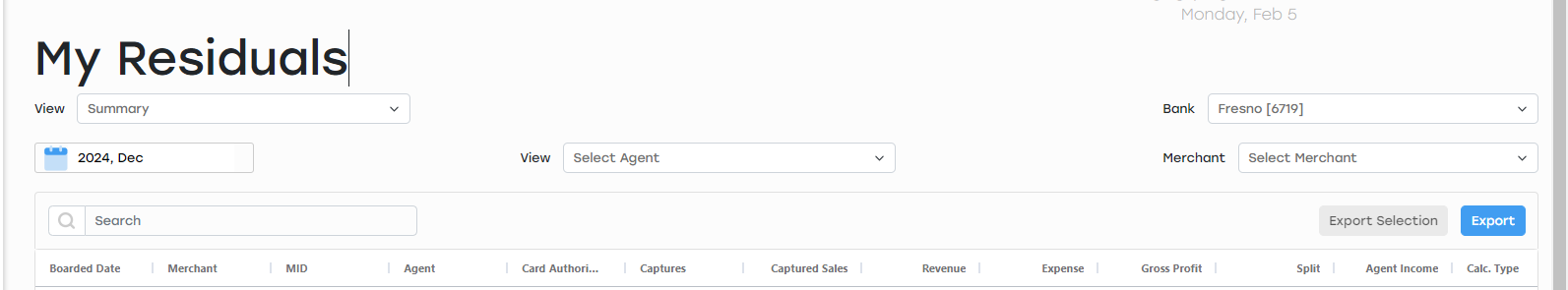
A screenshot of a test

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## How do I download my residual report?

### *Summary*

To download your residual summary report, select export at the top of the screen for the selected bank you’d like to download. This will show you a high-level summary of your merchants, their volume, revenue, expense, and residual paid for the selected month.



### *Details*

To download your residual detail report, switch the View from “Summary” to “Detail” and select Export. This will generate an excel file for you to review the full residual detail line items for the specified month.

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## What is the difference between the Summary and the Detail residual view?

The summary residual view shows the high-level processing and residual information per merchant in your portfolio. The following data points are available at a glance:

* Boarded Date
* Merchant Name
* MID
* Agent Name
* Card Authorizations
* Captures
* Captured Sales
* Revenue
* Expense
* Gross Profit
* Split
* Agent Income
* % Profit
* Buy Rate Template

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The detailed residual view includes all the information related to the residual calculation for the specified month. Sales count, sales amount, revenue, and expense will all be broken down by Fee Item Name in this view. Users can download this file on a portfolio or merchant basis to review how the calculations are derived.

## How do I interpret the Residual Detail File?

Downloading the residual detail file to excel format is the best way to view the residual detail file. Upon downloading, convert all cells to a number by selecting Ctrl + A on your keyboard, select the hazard symbol and convert all cells to a number. Please reference the [Residual Detail File Column Guide](https://payarc.sharepoint.com/Shared%20Documents/Ops/Policies%20and%20Procedures/Operations/Residual%20Detail%20File%20Column%20Guide%20-%20Agent.pdf) for file specifications and column definitions.

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## Can I see the detailed summary of my residual for a select merchant?

Partners can view the residual summary or detail for a select merchant in the “My Residuals” section of Partner Hub. To view, apply the *Bank*, *View*, and *Merchant Name* you are intending to see from the dropdown categories at the top of page and the selected merchant will appear.

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## What are Additional Line Items?

“Additional Line items” are one off payments or expenses assessed to an agent in addition to the monthly residual received from the referred merchant’s processing. Examples of additional line items include equipment expenses, bad debt residual clawbacks, agent monthly fee refunds, residual adjustment back payments or expenses, etc.

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## What is an Agent Monthly Fee Refund?

Payarc waives the Agent Fixed Buy Rates for merchant accounts boarded after the 15th of the month. The “Agent Monthly Fee Refund” fee item will be found under the Additional Line Item table of the “My Residuals” section of your Partner Hub to offset the fixed buy rate assessed in the main residual table.

## What is a Bad Debt Residual Claw Back?

Reference “Right to Offset” clause of the Payarc ISA Agreement. Payarc has the right to clawback up to 100% of the balance paid to an agent for a specified merchant account in instances where the said merchant has defaulted on payment due to Payarc. Bad Debt Residual Clawbacks will be deducted from the residual payout during the month in which the bad debt is realized.

## Why is my Agent Income Negative?

Multiple factors can contribute to a negative agent income. Some of these include:

1. A merchant is not processing and doesn’t have a monthly fee or monthly minimum to offset the agent monthly buy rates.
2. The merchant fee items are underpriced compared to your buy rates. (*Ex: If a restricted merchant is priced at $0.05 per authorization and the agent buy rate is $0.15, the agent will lose -$0.10 per authorization processed in the given month.*)
3. The average ticket is below $15.00 when the merchant is priced on Bundled or Cash Discount/Dual Pricing.
4. A large refund is issued to the merchant by the agent in the given month.

## Why is an account appearing on my residual report if they were closed?

Accounts that are closed mid-month will appear on your residual report for the month in which they are closed. The merchant will not appear in following months unless it is re-opened.

Ex: Account closed January 14th will appear on January residual report but will not appear in February report.

## Where can I find my Buy Rates?

Agent Buy Rates can be found within your Payarc Independent Sales Agent Agreement. Your Relationship Manager will provide a copy of your ISA Agreement upon request.

## What are Buy Rate Templates?

Buy Rate Templates are Payarc’s internal Schedule A and B rate assignments for your accounts. Each template is customized to your specific buy rates in your agreement. The name convention for the buy rate template indicates your per authorization cost and your BIN Sponsor Fee.

## How do I know what Buy Rate my account falls under?

Each account is assigned a risk level upon approval. Unrestricted accounts will fall under your Schedule A buy rates and Restricted accounts will fall under Schedule B. The Buy Rate Template column of the Residual Summary table will show you the corresponding schedule assigned to that merchant.

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## How do I update my bank account on file for residual payment?

To update your bank account on file for an upcoming residual payment cycle, please provide a voided check or bank letter detailing your new account information to [support@payarc.com](mailto:support@payarc.com) or your Relationship Manager. To ensure residual payment is routed to the correct bank account, bank account updates must be received at least 2 business days prior to the scheduled residual payout.

## How do I see the residual for my sub-agent accounts?

You can view your sub agent residuals the same way you view your own residual portfolio. To view only your sub agent residual, filter the View to the selected Sub Agent Name.

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## Can Payarc pay my sub-agents directly?

Yes, Payarc can pay Sub Agents directly. Please reach out to your Relationship Manager to discuss override commission instructions if you’d like Payarc to pay your subagent directly.