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## HEARTLAND PAYMENT SYSTEMS® RELEASES FIRST ACTUAL DURBIN IMPACT STATISTICS

*Heartland merchants receive millions of dollars through Durbin pass through program*

*QSRs and small-ticket merchants feel the pain of MasterCard® and Visa® fee changes*

**PRINCETON, NJ — October 5, 2011** — Just days after the implementation of the Durbin Amendment swipe fee reform on October 1, Heartland Payment Systems (NYSE: [HPY](#)), one of the nation's largest payments processors, has released the first real-world data about the legislation's actual effects on business owners across the United States.

From the first to the third of October, Heartland passed along \$1,779,568 in debit interchange reductions to its merchants across the U.S. Restaurant merchants received \$671,652 of this reduction. The company estimates its average merchant will save more than \$1,000 in the first year alone.

"These savings are just the tip of the iceberg," said Bob Baldwin, president at Heartland. "Durbin Dollars should stay where they belong — in merchants' bank accounts — and Heartland is helping business owners keep more of their hard-earned cash. Merchants shouldn't take this for granted. They need to be vigilant in ensuring they receive the cost savings they deserve so they don't unknowingly fall victim to processors looking to profit at their expense."

The real effects of the Durbin Amendment have already started to take hold as evidenced in the statistical findings below derived from data collected between October 1 – 3, 2011 across Heartland's portfolio of 250,000 merchant locations. Heartland has found:

- 65% of our signature debit sales volume qualified as regulated
- On average, there is a savings of \$0.21 per transaction for regulated (vs. non-regulated)
  - The average signature debit non-regulated interchange fee per transaction is \$0.44
  - The average signature debit regulated interchange fee per transaction is \$0.23
- On average, there is a savings of 75 basis points for regulated (vs. non-regulated)
  - The average signature debit non-regulated effective rate is 1.55%
  - The average signature debit regulated effective rate is 0.80%

While the majority of merchants are realizing significant savings from the debit rate reductions, merchants that process a high volume of small-ticket transactions are actually paying more due to the elimination of MasterCard and Visa's small-ticket interchange rates. As of October, the card brands are charging the same regulated rates as standard transactions of 21 cents plus one cent plus 0.05 percent of the transaction volume, which translates to increased costs on debit transactions less than \$11. In Heartland's portfolio, quick serve restaurants (QSRs), for example, are now paying an average effective interchange rate of 2.15 percent compared to the 2.08 percent they were charged under the small-ticket provision.

For more information on the Durbin Amendment, visit [GetYourDurbinDollars.com](http://GetYourDurbinDollars.com).

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### **About Heartland Payment Systems**

Heartland Payment Systems, Inc. (NYSE: [HPY](http://HPY)), the fifth largest payments processor in the United States, delivers [credit/debit/prepaid card processing](#), [gift marketing and loyalty programs](#), [payroll](#), [check management](#) and related business solutions to more than 250,000 business locations nationwide. A *FORTUNE* 1000 company, Heartland is the founding supporter of The Merchant Bill of Rights, a public advocacy initiative that educates merchants about fair credit and debit card processing practices. The company is also a leader in the development of end-to-end encryption technology designed to protect cardholder data, rendering it useless to cybercriminals. For more information, please visit [HeartlandPaymentSystems.com](http://HeartlandPaymentSystems.com), [MerchantBillOfRights.org](http://MerchantBillOfRights.org), [CostOfABurger.com](http://CostOfABurger.com) and [E3secure.com](http://E3secure.com).

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