Card Activity Rebates (CAR)

Rewarding Members for Using Your
Card to Make Purchases

INTRODUCTION

Match similar reward programs on the market and add a Card Activity
Rebate (CAR) program to your member appreciation program! Increase
members' use of your in-house debit (and ATM) cards when making their
purchases. Use your CAR program to rebate members a certain percentage
of their debit card activity every month, up to a maximum configured
payment.

CONTENTS

FREQUENTLY-ASKED QUESTIONS

Can I rebate members' purchases made by debit cards?

Yes. The primary focus of this feature is to rebate members on debit card purchases. You can set a percentage per transaction rebate, a maximum monthly rebate, and a maximum rebate amount a single purchase.

Can I rebate members' purchases made by credit cards?

No. This feature currently does not support rebates of credit card purchases.

Can I rebate members' purchases made by ATM cards?

Yes. You can elect to include ATM purchases in the rebate and can elect whether to include signature transactions, transactions without signature, or both.

Can I control the amount that is refunded to my member?

Yes. The rebate program allows you to cap the amount that is refunded to the member.

Can I offer different rebates to different members?

Yes. To offer the rebate, the program is attached to a savings or checking Dividend Application. This gives your credit union the flexibility to offer different rebates for different accounts. For example, you might offer a higher rebate for a VIP checking account versus a regular checking account.

Can I offer the rebates only to members who also do certain things to qualify for a higher dividend?

Yes. CU*BASE allows you to rebate the rewards as part of your Qualified Dividend program. Qualified Dividend programs are generally used to give the member the opportunity to qualify for a higher dividend by certain types of activities such as bill pay or e-Statement enrollment or using their debit card a certain number of times.

What is the first thing I need to do with either type of rebate?

To offer either type of rebate, you first must set up the program. This allows you to configure the rebate and set the maximum dollar amount of the reward. Then this program is selected in the Dividend Application configuration or Qualified Dividend configuration, depending on the desired method.

Is there reporting for the feature?

Yes. Transaction and exception reporting are available for this feature.

CONFIGURING YOUR CARD ACTIVITY REBATE

To offer the CAR rebate, first configure your surcharge rebate details using Tool #1320. You will then select to use this surcharge rebate when configuring the Dividend Application.

Card Activity Rebates Configuration (Tool #1320)

To create a new surcharge rebate program from this screen, use *Add* (F6).

CAR Rebate Detail

The CAR rebate configuration allows you to set the details of the rebate, including the rebate per eligible transfer, a maximum and minimum rebate amount, and a per transaction cap amount.

*Refer to CU*BASE Online help for field-level assistance.*

Fill in the fields to define the rebate; then press Enter.
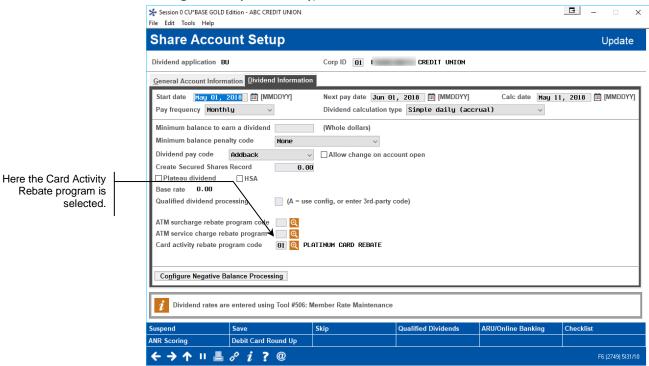
METHODS FOR DETERMINING ELIGIBILITY

You offer CAR rebates by first attaching the rebate routine to a Dividend Application. That way any member who has an account of that Dividend Application type will qualify for the rebate. You can also go one step further and offer the rebate only to that block of members who also qualify for your Qualified Dividend program attached to that Dividend Application.

ELIGIBILITY BY DIVIDEND APPLICATION

CAR rebates can be given to all members with an account of a selected Dividend Application. Use this method with either savings or checking Dividend Applications. Simply use the *Card activity rebate program code* look-up to select your configured program.

With the configuration shown below, all members having an account of this Dividend Application will receive the selected CAR rebate offering by the credit union.

Dividend Application Configuration: Savings/Checking Products Configuration (Tool #777), then "Dividend Information" Tab

Here the Card Activity Rebate program is selected.

ELIGIBILITY BY DIVIDEND APPLICATION AND QUALIFIED DIVIDENDS

- *SEE ALSO: Refer to the Qualified Dividends booklet for more details on setting up a Qualified Dividend.*

You can use the CAR rebate feature in conjunction with a Qualified Dividend program. Qualified Dividends allow you to configure a checking Dividend Application with specific eligibility requirements, then set up two rate schedules: the **qualified** rate and the **base** rate for non-qualified accounts. While configuring the conditions for the member to be eligible for the qualified rate, credit unions can also configure the dividend to only pay the CAR rebate *if the member qualifies for the higher dividend.*

In this case, you would select *Apply CAR rebate to* apply to *Qualified members only* as shown below. *(NOTE: The rebate field only appears if the Dividend is configured with it. See the previous page for details.)*

The rebate will only be given to "Qualified" members.

You can also configure a Dividend Application to be a Qualified Dividend but offer the ATM Surcharge to all members regardless of whether they are eligible for the qualified rate. In this case, you would select *All members with this account* as shown below.

REBATE PROCESSING

Card activity rebates are posted to member accounts monthly. Members receive CAR rebates if they have accounts with Dividend Applications configured for rebate. The rebate amount follows your configuration guidelines. If the account is closed or frozen during the month, the member will not receive the rebate.

REBATE PROCESSING

Card activity rebates are calculated and posted monthly as one deposit, not exceeding the allowed maximum monthly rebate amount. Members see the rebate, along with the description configured in the rebate configuration on their statements.

Card activity rebates are the last process run during end of month processing after dividends are calculated (and posted).

REPORTING

Two monthly CU*SPY reports can be used to monitor your CARD activity refunds. The first report, TCARP, serves as the Transaction Register and lists the rebate transactions, with a total of the rebates at the bottom of the report. The second report, TCARP2, lists members who receive a minimum rebate. (This minimum rebate must be configured by your credit union.)

- NOTE: Frozen accounts will not receive any rebate.

CARD Activity Rebate Transaction Register (TCARP)

```
5/31/18  10:36:01                                    FCU                    TCARP        PAGE    1
  RUN ON  5/24/18                    CARD ACTIVITY REBATE TRANSACTION REGISTER            USER
                                          DETAIL - AS OF  5/31/18

                                    PREVIOUS          CURRENT
     ACCOUNT #  DIVAPL    DEPOSIT    BALANCE          BALANCE    DESCRIPTION

         6-010    RC        37.77    2,732.91        2,770.68    CAR REBATE PROGRAM
         0-010    RC        32.82        8.69           41.51    CAR REBATE PROGRAM
         1-010    RC        16.89      166.10          182.99    CAR REBATE PROGRAM
         0-010    RC         1.00      297.33          298.33    CAR REBATE PROGRAM
         0-010    RC         7.00       63.13           70.13    CAR REBATE PROGRAM
         1-010    RC         4.44       35.28           39.72    CAR REBATE PROGRAM
         3-010    RC         1.24      776.03          777.27    CAR REBATE PROGRAM
         3-010    RC        20.44         .59           21.03    CAR REBATE PROGRAM
```

CARD Activity Rebate Exception Register (TCARP2)

```
5/31/18  10:36:01                                    FCU                    TCARP2       PAGE    1
  RUN ON  5/24/18                    CARD ACTIVITY REBATE EXCEPTION REGISTER              USER
                                          DETAIL - AS OF  5/31/18

                          CALCULATE          USED
     ACCOUNT #  DIVAPL      AMOUNT           AMOUNT    EXCEPTION REASON

         1-010    RC           .97            1.00     Rebate set to Minimum Amount
         2-010    RC           .79            1.00     Rebate set to Minimum Amount
         0-010    RC           .82            1.00     Rebate set to Minimum Amount
         0-010    RC           .54            1.00     Rebate set to Minimum Amount
         5-010    RC           .10            1.00     Rebate set to Minimum Amount
   2     8-010    RC           .52            1.00     Rebate set to Minimum Amount
```