

Merchant Account Reserve Overview

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What is a Merchant Account Reserve?

A merchant account reserve is a specific dollar amount, fixed or variable, held by Qualpay and used to safeguard both the merchant and acquiring bank against potential financial liabilities.

A merchant reserve is based on the total net daily transaction volume. It is used for funding disputes, transaction refunds on closed accounts, and additional monetary liabilities. A reserve is cumulative and is either removed or released to the merchant at specific intervals based on the reserve type.

Reserve Types Explained

Fixed Reserve

A fixed reserve is a static amount collected as a whole upfront or by collecting a percentage until the specific static amount has been met.

Example: A merchant account is set up with a fixed reserve of \$100K to be collected at 10%. Qualpay will collect 10% of the net daily batch (sales minus refunds) to be held in reserve. The reserve continues to increase until the \$100K ceiling has been reached.

Rolling Reserve

A reserve given a rolling window of time for collection and deposit of funds to the merchant account is called a rolling reserve. The rolling time frame is maintained in real-time using the current date.

Example: A merchant account is set up on a three-month (90 days) rolling reserve at 10%. Qualpay collects 10% of the net daily batch (sales minus refunds) to be held in reserve. On day 91, funds collected on day one are released; on day 92, funds collected on day two are released; and so on.

Reserve Review

A merchant can request a reserve review following 12 months of continuous processing. Email the [Qualpay risk team](#) with the Merchant ID, DBA, and legal name to request a reserve analysis.

Dispute and refund ratios must be within acceptable levels for Qualpay to consider a merchant reserve review. Dispute and refund ratios are located and displayed in the **Dispute Dashboard**.
