PAYMENT SOLUTIONS

Shift4 Early Termination Fees (ETF)		
	Department	Pipeline
	Document No. & Version	1.6.1
	Last Updated	May 15, 2026

Overview

Shift4's early termination fee (ETF) calculation methodology was simplified as of **September 1, 2025**. The new system is based on a merchant's monthly processing volume and number of devices, rather than simply multiplying remaining contract months by monthly fees.

- **Official terms:** shift4.com/legal

How ETF is calculated (high level)

New method (September 1, 2025 – present)

- **Formula (agreement language / liquidated damages):** If the agreement terminates during the term (for any reason other than an uncured breach by Shift4/Company), the merchant owes **liquidated damages** calculated as:
  - **Base monthly termination fee (from tier table) × # of terminal IDs (TIDs)**
  - Then × **months remaining** in the term
- **Volume tiers (base monthly termination fee per TID):**
  - **<$10k → $100**
  - **$10k–$25k → $250**
  - **$25k–$50k → $300**
  - **$50k–$75k → $350**
  - **$75k–$100k → $400**
  - **$100k–$125k → $450**
  - **$125k–$250k → $500**

  - **>$250k → $750**
- **Volume source note (per agreement):** If actual monthly volume differs materially from the estimated monthly volume on the application, Shift4 may use the **average monthly processing volume of the prior 3 months** for the liquidated damages calculation.
- **Example:** $125K monthly volume tier, 5 devices, 15 months remaining → $500 × 5 × 15 = **$37,500**
- **Source:** Merchant Processing Agreement Terms & Conditions (12/01/2023): https://www.shift4.com/pdf/Merchant-Processing-Agreement-Terms-and-Conditions-20231201.pdf

Previous method (before September 1, 2025)

- ETF = Remaining Months × Monthly Fees
- Monthly fees included hardware, software, and service fees.

Cancellation options (merchant-facing)

When a merchant wants to cancel their Shift4 contract, they typically have two options:

1. **Continue paying monthly** until the contract ends.
2. **Pay a one-time termination fee (buyout)** based on the ETF calculation.

Cancellation process (internal)

⚠️**Critical:** The merchant must be the **account owner** and must contact **Shift4 Customer Service** directly to begin cancellation or request refunds/waivers. Partners cannot do this on the merchant's behalf.

Practical note (Feb 2026)

- The verification and waiver process tends to be much harder once **equipment has shipped** (the contract is treated as in full effect once shipped).

What happens after the merchant calls

- Customer Service sends a cancellation letter.
- The merchant signs electronically (DocuSign).
- The account closes.

DocuSign requirement

- The merchant should watch for the DocuSign email.
- **Updated Jan 2026:** This is typically a simple click-to-sign flow (no download/print required).

ETF waiver requests

ℹ️**Updated process (Dec 2025):** ETF waiver requests must go through **MRT (Merchant Relations Team)**. Will/account management can help escalate, but cannot unilaterally approve waivers.

Escalation guidance (internal)

If a merchant is unhappy with the ETF amount:

1. Customer Service → request review/credit.
2. MRT → request waiver review.
3. If still unresolved, escalate through the existing internal protocol.

When ETF can be avoided (Feb 2026)

- If **no equipment has shipped** and the account has been sitting for 6**–7 months**, Shift4 may close the account **without an ETF** (case-by-case; confirm with Customer Service).

Multi-location exception

✅Shift4 allows multi-location restaurant groups to cancel one or more locations **without ETF** as long as at least one location remains active.

Change Log			
Date	**Description of Change**	**Comments**	**Initiated By**
March 18, 2026	Updated the ETF section with key language from the Merchant Processing Agreement, including: ● ETF framed as "liquidated damages" if the agreement terminates during the term (except for an uncured breach by Shift4/Company) ● Calculation clarified as base monthly termination fee tier × number of TIDs × months remaining ● Note that if actual volume differs materially from the app estimate, Shift4 may use the prior 3 months' average processing volume ● Added a direct source link to the Shift4 agreement PDF Added Processing Volume Tier (as determined by estimated monthly volume entered on the application)		Ryan Raymundo
May 15, 2026	SkyTab/SkyTab POS into Shift4 Dine		Hyah Takiang