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A merchant account is a special type of bank account that is approved by a bank or any other financial institution that allows the businesses to accept payments through debit and credit cards from their clients. Depending on the nature of business and the risk factor associated with the same, such accounts can broadly be classified into two major domains i.e. low risk and high risk. Take a look at some of the commonest features that makes an account high risk listed below.

A high risk merchant accounts considers one of the following common reasons: -

** Incurring a loss due to personal credits or the financials not being able to support the required sales volume that has been applied for.

** Remarkably longer charge back liability time limit of the services and products.

** If a business is on the Match or TMF list.

** It involves a certain percent of â€œreputationalâ€• risk.

** Business belonging to a sector that traditionally associated a higher charge back.

In cases where a trader is rated to be high risk, it will take a lot more in obtaining a related account.

Finally coming to the types of businesses and the industrial sectors where high risk merchant accounts enjoys widespread application, basically it has more than a presence in almost every industrial sector. Some of the common areas where it enjoys widespread application includes adult products, bail bonds, annual memberships, debt service, home based, electronics sell online, telephone order, fortune telling, mail order, debt service, online auctions, multiple level marketing, online dating sites, telemarketing, software downloads, travel services, telecommunications and timeshare advertising.

It might be a bit challenging for a high risk trader to find a suitable service provider of a merchant account but finding one is still vital for trading in such sectors.

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For more information on a high risk merchant accounts, check out the info available online; these will help you learn to find the a high risk offshore merchant account!

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