

January 24, 2011

Dear Chamber Executive,

We're writing to introduce you to a new Preferred Rate program between TD Merchant Services and the Canadian Chamber of Commerce and to explain how changes to the program will affect the fees your members pay. For easy reference, we have outlined all the changes to the program in the chart at the end of this letter. These changes are effective May 1, 2011, and will appear on the TD Merchant Services statement your members receive in June 2011.

Lower debit and credit card processing rates for your members

We want to assure you that Chamber of Commerce members will continue to receive preferred pricing on credit and debit card transaction processing. In fact, the rates for processing *Visa*, *MasterCard* credit electronic transactions, and *Interac* Direct Payment transactions are decreasing!

We always strive to deliver a program which provides Chamber members a competitive member benefit and this new comprehensive program, regardless of their annual card sales volumes, will continue to support your members' requirement for value added payment card processing.

How are we communicating to your members?

On January 24, 2011, a customized letter will be mailed to all Chamber members on the current program with TD Merchant Services, informing them of the changes to the rates and fees they will pay effective May 1, 2011. The length of time between mailing and effective dates is to ensure compliance with the Code of Conduct and provide your members with 90 day notification of these changes.

Important: Although we are providing your members 90 days notice of these changes, they can take advantage of the new Preferred Pricing Program prior to May 1, 2011 if they so wish. All they need to do is complete the attached request form and return to us by

- i) fax @ 1-855-726-9494 **OR**
- ii) scan and email the form to TDACMACH@TD.com.

TD Merchant Services will immediately set up the member's account with the new pricing.

Chamber members opening a TD Merchant Services account between December 3, 2010 and February 1, 2011, will receive a customized letter in February 2011 informing them of the changes. The rate changes for these members will be effective June 1, 2011. These members will also be able to take advantage of the rate program prior to the 90 days notice by following the steps above.

TD Merchant Service continues to support your business

Your dedicated TD Merchant Services Sales Executive will continue to work with you to help your existing members take advantage of these preferred rates and to support your efforts to increase membership by promoting this offer to your Chamber's prospects.

How to contact us

We understand that you may have questions about these changes. Please contact your dedicated Sales Executive for any questions you have.

We wish you success in developing your membership base and providing value added offerings to businesses in your area.



Jennifer Hagen
Director, Chamber Development & Services
Canadian Chamber of Commerce



Frank Psoras
SVP, Sales & Relationship Management
TD Merchant Services

The rates and fees listed below will apply to your members TD Merchant Services Account, effective May 1, 2011, and will first appear on the statement they receive in June 2011. These changes were included in the letter sent directly to your members.

Fee/Rate Type:	Cost:	Changes:
Visa Credit Rate	1.59%	Your rate for processing <i>Visa</i> credit card transactions will <u>decrease</u> to 1.59% of gross sales.
<i>MasterCard</i> Credit Rate	1.64%	Your rate for processing <i>MasterCard</i> credit card transactions will <u>decrease</u> to 1.64% of gross sales.
<i>Interac</i> Direct Payment Transaction Fee	\$0.069	Your fee for processing <i>Interac</i> Direct Payment card transactions will <u>decrease</u> to \$0.069.
Settlement Fee	\$0.069	Your fee for each closed <i>Interac</i> Direct Payment batch settlement will <u>decrease</u> to \$0.069.
Monthly Fee	\$4.95	New Monthly Fee. This fee is for the administration of the account and will appear on your statement as a separate line item called "Monthly Fee".
Non-TDMS Visa/MasterCard Transaction Fee	\$0.10	This new fee is charged on card transactions processed through a TD Merchant Services point-of-sale terminal or solution when your card payment processor is not TD Merchant Services. If this applies to your account, this fee will appear on your statement as a separate line item by individual card type Important: You can help reduce the amount of this fee when you process your Visa and MasterCard transactions through TD Merchant Services. Call us at 1-800-363-1163 to discuss with one of our specialist.
Visa Discount Rate Adjustment Fee	Interchange Differential + Rate Adjustment Fee 0.30%	We are changing the way we calculate the <i>Visa</i> Discount Rate Adjustment Fee to provide greater transparency into the costs of credit card acceptance. Instead of a pre-set Discount Rate Adjustment Fee for each <i>Visa</i> credit card transaction type, this fee will now be based on the actual Interchange Rate <i>Visa</i> charges TD Merchant Services to process credit card transactions. To calculate the <i>Visa</i> Discount Rate Adjustment Fee, we add the Interchange Differential to your Rate Adjustment Fee and multiply by

your gross sales for all transactions of that specific credit card transaction type.

The Interchange Differential is the difference between the *Visa Interchange Rate* for the credit card transaction type performed and the *Visa Interchange Rate* for a Consumer Electronic Transaction.

This fee will be listed on your statement in a summary line item, called “*Visa Discount Rate Adjustment Fee*”.

Please note: this cost is in addition to your *Visa Credit Rate* cost for a transaction.

Example: For an example of a Discount Rate Adjustment Fee calculation please visit www.tdmerchantservices.com/visacalculation

The chart below shows the *Visa Rates* for some common credit card transaction types and the resulting Interchange Differential.

<i>Visa Credit Card Type:</i>	Interchange Rate:	Interchange Differential:
Consumer Credit Classic, Gold, Platinum Electronic	1.54%	0.00%
Consumer Credit Classic, Gold, Platinum Standard Important: For card-present transactions, you can help reduce the frequency of this transaction type by swiping magnetic-stripe cards through your point-of-sale terminal, inserting chip cards into your terminal or having customers ‘wave’ their Cards for contactless transactions at the terminal.	1.65%	0.11%
Commercial Credit Corporate Electronic	1.90%	0.36%
Commercial Credit Corporate Standard	2.00%	0.46%
Consumer Credit Infinite Electronic	1.74%	0.20%
Consumer Credit Infinite Standard	1.85%	0.31%

All *Visa Interchange Rates* can be found at: www.tdmerchantservices.com/interchange

MasterCard
Discount Rate
Adjustment Fee

Interchange
Differential + Rate
Adjustment Fee 0.30%

We are changing the way we calculate the *MasterCard* Discount Rate Adjustment Fee to provide greater transparency into the costs of credit card acceptance. Instead of a pre-set Discount Rate Adjustment Fee for each *MasterCard* credit card transaction type, this fee will now be based on the actual Interchange Rate *MasterCard* charges TD Merchant Services to process credit card transactions.

To calculate the *MasterCard* Discount Rate Adjustment Fee, we add the Interchange Differential to our Rate Adjustment Fee and multiply by your gross sales for all transactions of that specific credit card transaction type.

The Interchange Differential is the difference between the *MasterCard Interchange Rate* for the credit card transaction type performed and the

MasterCard Interchange Rate for a Consumer Electronic Transaction.

This fee will be listed on your statement in a summary line item, called “*MasterCard Discount Rate Adjustment Fee*”.

Please note: this cost is in addition to your *MasterCard Credit Rate* cost for a transaction.

Example: For an example of a Discount Rate Adjustment Fee calculation please visit www.tdmerchantservices.com/mastercardcalculation

The chart below shows the *MasterCard Rates* for some common credit card transaction types and the resulting Interchange Differential.

<i>MasterCard</i> Credit Card Type:	Interchange Rate:	Interchange Differential:
Canada Intracountry Consumer Electronic	1.59%	0.00%
Canada Intracountry Consumer Standard Important: For card-present transactions, you can help reduce the frequency of this transaction type by swiping magnetic-stripe cards through your point-of-sale terminal, inserting chip cards into your terminal or having customers ‘wave’ their Cards for contactless transactions at the terminal.	1.72%	0.13%
Canada Intracountry Consumer High Spend Electronic	2.00%	0.41%
Canada Intracountry Consumer High Spend Standard	2.13%	0.54%
Canada Intracountry Consumer Premium High Spend Electronic	2.25%	0.66%
Canada Intracountry Consumer Premium High Spend Standard	2.65%	1.06%

All *MasterCard* Interchange Rates can be found at www.tdmerchantservices.com/interchange

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