



Dear Valued TDMS Merchant,

I am writing to you today to let you know that in October and November 2019, Interac, Visa and Mastercard are making changes to their rates and fees. TD Merchant Solutions (TDMS) will be making some changes to how some of our fees are presented on your account statement to more clearly display fees that you are paying.

You will also receive notification of these changes on your May 2019 TDMS account statement, that you will receive in June 2019.

For further clarity, please see the charts below:

PCN Changes:

PCN	Fee Name / Change	Change Description	Effective Date
Visa	MCC Added to the Emerging Segments Program	Visa will expand the domestic Emerging Segments Fee Program to include MCC 8661—Religious Organizations.	October 1, 2019
Interac	Charitable and Social Services Organizations being added to Tier 1 Flash Interchange Program	MCC 8398 will be included in the Tier 1 Flash Interchange fee qualification. MCC 8398 will be charged at the Tier 1 flash rate of \$0.02 per transaction which is a reduction.	October 1, 2019
Mastercard	Modification to Interchange Rate on Refunds/Return Transactions	Mastercard interchange rates are being modified for all return and refund foreign transactions ONLY. In a return transaction scenario, your effective rate will increase. Should you process these transactions, you will see the return of the refund interchange as a line item on your October TDMS account statement which you will receive in November 2019. Changes will be: 1.00% for transactions with consumer product cards 1.80% for transactions with commercial product cards	October 18, 2019
Mastercard	Revised Billing Rules for Mastercard Domestic Assessment Fee	Mastercard currently charges a Domestic Assessment Fee as a percentage of your sales volumes for all sales excluding returns. Mastercard will now be charging its Domestic Assessment fee on sales and returns volumes combined.	November 1, 2019

Mastercard	Mastercard Pre-Authorization Fee	This fee will apply to authorizations that are coded as pre-authorizations. A fee of 0.0565% will be charged for every pre-authorization transaction.	November 1, 2019
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Additional PCN Fees:

With the recent enhancements to our billing capabilities, effective November 1, 2019, TDMS will commence billing the pass-through Payment Card Network changes listed below.

PCN	Fee Name	Change Description	Effective Date
Mastercard	Mastercard SecureCode Fee	For every 3D Secure technology transaction, a fee of \$0.0542 will apply.	November 1, 2019
Mastercard	Mastercard Address Verification Fee	For any Mastercard transaction requiring an address verification, a fee of \$0.0181 will apply.	November 1, 2019
Mastercard	Mastercard CVV Verification Fee	For every transaction requiring Mastercard's CVV Verification, a fee of \$0.0045 will apply.	November 1, 2019
Visa	Card Verification Fee	For every transaction requesting information on the status of a Cardholder's Account a fee of \$0.0452 will be applied even if the transaction is not processed.	November 1, 2019
Mastercard	Mastercard Safety Net Fee	For every Mastercard transactions, a fee of \$0.0013 will apply. This fee will help Mastercard protect against large-scale fraud events.	November 1, 2019

Billing transparency:

We have made recent changes to improve our statement clarity to help you understand the fees you pay. Please note these are all existing fees that you are currently being charged. See below for further details:

PCN	Fee Name	Change Description	Effective Date
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Mastercard	Mastercard Digital Commerce Development Fee	This fee of 0.0226% was previously included as part of the Mastercard Domestic Assessment Fee and is being separated out for greater fee payment transparency.	November 1, 2019
Visa	Visa Foreign Assessment Fee (Card not present)	This fee of 0.05% was previously included as part of the Visa Foreign Assessment Fee and is being separated out for greater fee payment transparency.	November 1, 2019
TDMS	Online Mart Transaction Fee	These fees were previously included as part of the Authorization Fee line item on your TDMS Account Statement. These fees will now be displayed individually for greater fee payment transparency.	November 1, 2019
TDMS	Online Mart Batch Processing Transaction Fee		
TDMS	Online Mart Secure Payment Profile Transaction Fee		

Additional Information:

You will see the applicable October and November changes reflected on your October TDMS account statement (which you will receive in November) and your November TDMS account statement (which you will receive in December).

Detailed information about all changes will be available as of June 1, 2019 using the following link: www.tdmerchantsolutions.com/change.

Should you have any questions about the above changes, please contact me at (604) 654-4840 or via email at rebecca.sunwoo@td.com. Thank you for choosing TD Merchant Solutions for your processing business.

Sincerely,
Rebecca Sunwoo

Relationship Manager
TD Merchant Solutions