



THE CANADIAN CHAMBER OF COMMERCE

LA CHAMBRE DE COMMERCE DU CANADA



Dear Chamber of Commerce Executive:

The Canadian Chamber of Commerce and TD Merchant Services have enjoyed a long standing relationship in offering preferred Visa rates to members of the local Chambers of Commerce across Canada. In our efforts to enhance our relationship and provide added value to our members, we are pleased to announce an improved Visa offer and a new agreement with First Data International for MasterCard (MC) exclusively for members of the Chamber of Commerce.

The following are highlights of our new offer for all member merchants:

- **1.75% Visa rate* regardless of volume of business**
- **1.85% MC rate* regardless of volume of business**
- **\$0.10 Interac rate* reduced from \$0.12**
- **\$32.00 per month TD Debit/Credit Terminal (640K Turbo) reduced from \$35**
- 3.00% Visa manual (paper) rate
- \$59.00 per month (plus activation and airtime charges) TD Debit/Credit Wireless Terminal
- No application fees or non-Visa transaction fees
- No yearly MC fee
- No batch close fees
- No return fees

* For card present transactions. Visa and Interac with TD Merchant Services, MC with First Data International

This new program is in place and new merchants may sign on immediately and start benefiting from the improved features. Merchants already part of the TD Visa program will have their rates adjusted effective September, 2004. Chamber members who are part of the First Data MC program are in the process of having their rates adjusted and will be retroactive to October 2004.

All merchant inquiries and questions regarding the TD Visa and First Data MC program should be directed to the following customer service numbers:

TD Visa and Debit/Credit Terminal inquiries 1-800-363-1163

First Data MasterCard inquiries only 1-800-265-1228

This new offer is well below market rates and will provide the value that your members expect from a Chamber of Commerce membership. This new program will provide chambers with the tools to compete with other programs, including your biggest competitor, the Canadian Federation of Independent Business (CFIB). The following example illustrates the competitive advantage that the Chamber of Commerce program has over the CFIB offer when all fees are added up.

Example: A retail merchant with \$160,000 per year in total sales with the following:

- Visa volume \$ 120,000 (\$25,000 in corporate card)
- MC volume \$ 40,000
- Debit \$ 6,000
- Ticket Size (credit) \$ 100
- Ticket Size (debit) \$ 50
- Batch close/ month 30
- POS 1

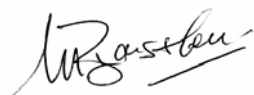
| Pricing and Fees | Yearly Volume | TDMS Yearly Charges | Paymentech Yearly Charges |
|----------------------------------|------------------|---------------------|---------------------------|
| Visa electronic | \$95,000 | \$ 1,662.50 | \$ 1,615.00 |
| Visa electronic (Corporate Card) | \$25,000 | \$ 437.50 | \$ 500.00 |
| MC | \$40,000 | \$ 740.00 | \$ 688.00 |
| Debit | 120 transactions | \$ 12.00 | \$ 10.80 |
| Application fees | | \$ - | \$ - |
| Debit/Credit terminal | | \$ 384.00 | \$ 396.00 |
| Debit/Credit terminal set up fee | | \$ - | \$ 25.00 |
| Annual Fee | | \$ - | \$ - |
| Batch close fee | 360 batch closes | \$ - | \$ 180.00 |
| Return fee | | \$ - | \$ - |
| Small Ticket Transaction fee | | \$ - | \$ - |
| Total | | \$ 3,236.00 | \$ 3,414.80 |

In the example above, the merchant services charges associated with the CFIB (Paymentech) program costs \$178 more than the Chamber (TDMS) program.

TD Merchant Services and a team of 45 Account Executives, across Canada, are ready to work with your staff to ensure your members enjoy the benefits of the new program. Over the course of the next few weeks, your local TD Merchant Services representative will be in contact with you to introduce the new program.

We thank the Provincial and Territorial Chambers for their assistance in designing this improved program in response to your feedback. We urge you to take advantage of it and to promote it to all your members.

We thank you for your support and wish you continued success.



Michel Barsalou
Vice-President, Communications and Member Relations
Canadian Chamber of Commerce



Edward Goh
Senior Director, Regional Sales
TD Merchant Services