

Contact

Business-building ideas for TD Merchant Services customers

What you need to know about the changing debit card market

By Jeff van Duynhoven, President, TD Merchant Services

There are several exciting developments currently taking place in Canada's debit card industry, and TD Merchant Services is committed to keeping you fully informed every step of the way.

Change coming to Canada

Canada's landscape with regard to debit card offerings is about to change. Until now, *Interac*® has been the sole debit card provider in Canada, while many countries around the world have been using a number of different debit cards — including MasterCard®¹ *Maestro*®¹ and *Visa*™^{TM1} Debit.

MasterCard has entered, and *Visa* has announced its plan to enter, the debit market in Canada, so Canadian consumers could have several debit payment options available to them, while merchants will have the opportunity to offer their customers additional payment choices.

The uniqueness of the cards in the Canadian market is that these new cards will serve a dual purpose. We expect that *Maestro* and *Visa* Debit issuers will



Merchants in Canada will now be able to offer their customers additional options to pay by debit.

decide to have these cards carry the *Interac* application as well. This way, consumers will need only one debit card and can trust that this card will be accepted at every point of sale.

More choices, more options

TD Merchant Services customers will have the option to choose whether or not to accept these new payment

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methods, which offer several benefits for merchants, namely:

- **International access.** By offering *Visa* Debit (which is a chip card) and/or MasterCard *Maestro*, you will gain access to potentially millions of international cardholders.

- **Enhanced customer service.** You will be able to offer your customers a wider range of payment options.

- **Seamless transition.** These cards are processed using similar procedures — and have the same hardware — as *Interac* debit cards. Most TD Merchant Services point-of-sale (POS) terminals are currently able to process the MasterCard *Maestro* card if the merchant elects to accept this card. Once a merchant makes the transition to chip-enabled terminals, they will be able to process *Visa* Debit chip card transactions.

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Changing debit card market

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- **Reach debit-only customers.**

By offering these new debit cards, you will have an opportunity to attract customers who only have a debit card and want to access the funds in their bank account to pay for purchases online, or by phone or mail order.

Ongoing support

If you do decide to accept either of

these cards, TD Merchant Services will provide all the support and information you need to get started. To help you stay up-to-date and fully equipped to keep pace with these developments in the payment industry, we continue to offer superior service and support every step of the way.

As always, we are committed

to making sure your payment processing runs as smoothly and cost-effectively as possible. You can rely on TD Merchant Services to help provide the right solutions and support to you.

See Page 3 for more details on these new debit cards and to learn more about the benefits these products can offer your business. ■

BUSINESS
BOOSTERS

PayPass card built for speed

What could be faster than cash? The new MasterCard PayPass contactless payment technology allows your customers to pay for purchases by simply tapping their card at checkout.

How it works

The PayPass cards are embedded with a radio frequency antenna that securely transmits payment information wirelessly when the card is tapped against the special reader. The transaction is then processed through the MasterCard network and purchases are itemized on the customer's statement just like credit card purchases.

How it helps your business

The MasterCard PayPass is ideal for gas stations, fast-food restaurants or other businesses where speed is essential. It also helps you:

- **Save time.** You can handle more customers in less time since there's no need to swipe the card, enter a PIN or get a customer signature (for transactions of \$50 or less).
- **Reduce chargebacks.** On transactions under specified limits, merchants will be protected from the following chargeback categories: "non-receipt of item," "requested item illegible" and "no cardholder authorization transactions."
- **Customer satisfaction.** Quick and easy to use, PayPass helps reduce lineups and wait times. There's no need for customers to wait for change.

- **Secure processing.** The card is as safe as a standard credit card. As well, the card never leaves the customer's hand during the purchase, which reduces the risk of error.
- **Increased sales.** Since checkout is so fast and convenient, customers enjoy a more pleasant shopping experience and may be encouraged to make additional purchases.

To find out more, call TD Merchant Services at 1-800-363-1163.

Do the wave

The Visa payWave™ contactless card has also been introduced in Canada. For more information, read the Spring 2009 issue of *Contact* at www.tdcanadatrust.com/merchantservices/contact.jsp or visit www.visa.ca/paywave



PayPass cards allow your customers to pay for their purchases by simply tapping their card at checkout.

Managing Your Business

Pick a card: New payment options for your business

Our cover story outlines the exciting changes to the debit card market in Canada, namely the introduction of the PIN-based MasterCard *Maestro* and *Visa* Debit cards into the Canadian marketplace.

Many consumers are currently using *Maestro* to access their bank accounts directly to make purchases within Canada, and both cards can currently be used for this purpose outside the country. Each card offers its own unique features and benefits.

Maestro takes a bow

MasterCard calls its debit card *Maestro*, which is an apt name considering its worldwide reputation for conducting debit transactions. In fact, it's one of the fastest-growing payment methods globally, with a worldwide network so reliable it boasts zero downtime in over six years.

Merchants will also enjoy these benefits:

- **Access to cross-border cardholders.** *Maestro* is available in more than 100 countries and held by over 660 million international cardholders. Offering *Maestro* as a payment option will open up potential sales from international travellers. And these international *Maestro* transactions are generally cheaper than an international credit transaction.

- **Smooth transition.** If you choose to accept MasterCard *Maestro*, the transition will be an easy one. You'll be able to use your existing point-of-sale hardware. You can also continue to offer your customers PIN-based authentication, real-time authorization, guaranteed payment and high-speed transaction processing.



Offering your customers additional PIN-based payment options, such as *Visa* Debit or MasterCard *Maestro*, makes it easier for them to do business with you.

- **Enhanced customer service.** Canadians are very familiar with paying by debit and many prefer to pay for purchases this way. By accepting *Maestro* for payment, you will be offering your customers greater choice, and could also attract customers who prefer to use debit.

Debit meets chip

The *Visa* Debit card may be new to Canada, but it is widely accepted around the world at more than 29 million merchant locations and 1.2 million ABMs worldwide.

This card combines the convenience of debit with the security of *Visa*. It allows your customers to access their bank accounts directly to pay for goods and services — in person, online, for mail and telephone orders — with the additional security of a *Visa* chip card.

By offering *Visa* Debit to your customers, you can enjoy these benefits:

- **Customer satisfaction.** Presenting an additional payment option will not only please existing customers, but could also attract new customers who prefer to use debit cards. Some

issuers may also include the contactless *Visa payWave* capability on the *Visa* Debit card, which provides yet another payment possibility.

- **Increased sales potential.** *Visa* Debit can be accepted electronically, so your business could see an increase in e-commerce, mail or telephone orders.

- **Enhanced security.** *Visa* Debit is backed by *Visa*'s layers of security. And the embedded microchip in the card makes it virtually impossible to counterfeit — providing additional security for you and your customers.

- **Easy processing.** It is simple to integrate *Visa* Debit into your current payment-processing system. Merchants will process *Visa* Debit transactions the same way they process other chip card transactions — and use the same chip-enabled terminals. The only difference is that the purchase total will be debited from your customer's bank account.

To get your business set up to accept MasterCard *Maestro* or *Visa* Debit, call TD Merchant Services at 1-800-363-1163. For additional information, visit www.visa.ca/merchant ■

Merchant Support

How we support you and your business

Just as you work hard to satisfy your customers, we try our best to meet your needs and make your experience with TD Merchant Services a comfortable one. We also aim to add value to our services wherever possible. Here's how:

1. Information leader. We endeavour to keep you fully informed about events and changes in the payment industry, security requirements and new products and services, as they become available. Our emphasis on keeping you informed extends to a transparent communication of our competitive

rates and fees. We provide you with complete disclosure so there are no surprises when you receive your TD Merchant Services statement.

2. Up-to-date resources. You can also count on us to provide you with current information that is relevant to your business, including product news, fraud-prevention tips and industry updates in this newsletter.

Also, visit www.tdmerchantservices.com and click on "Resource Centre" for a variety of useful brochures, guides, industry information, links and more.

3. Reliable solutions. We offer merchants a range of choices and

payment solutions to suit businesses of every size and specialty. We are a leader in POS technology and product innovation and our solutions range from countertop or wireless to telephone and e-commerce solutions.

4. Superior support and service.

Receive onsite POS installation and training, along with software and training updates. In most major centres you will receive onsite equipment servicing and technical support, within four hours of your call, seven days a week (except January 1 and December 25)¹.

As well, enjoy around-the-clock telephone support — available 24 hours a day, seven days a week — from the TD Merchant Services Service Centre (1-800-363-1163). ■

FRAUD PREVENTION

Fraud-fighting resources now available online

Looking for ways to reduce chargebacks? Foil credit card fraudsters? You'll find some of the answers you need on the updated TD Merchant Services website. Check out the resources listed below, all now available by visiting www.tdcanadatrust.com/merchantservices/fraud_awareness.jsp

- **Credit Card Fraud: What to Watch For**
- **Protect Your Customers Against Debit Card Fraud**
- **Visa Card Security Features**
- **Preventing Debit Card Skimming**
- **Mail/Telephone Order and Internet Fraud**
- **Protecting PIN Pads and POS Equipment**
- **6 Steps to Reduce Chargebacks**
- **Links to Visa Inc. and Interac Association**
- **Fraud Tips for Industries**

Preferred paper suppliers

The following companies are preferred suppliers of paper for TD Merchant Services point-of-sale terminals. To ensure that you're dealing with a reputable dealer, give one of them a call when you need paper.

- Main-Tech Industries, 1-800-268-5120
- Maxwell Media Products, 1-800-561-6406
- Papier Parfait Inc., 1-877-745-5163

Payment Solutions you can count on

Contact is published periodically by TD Merchant Services. Every effort has been made to ensure that the information contained in this newsletter is accurate. However, TD Merchant Services is not liable for any errors or omissions in the information or for any loss or damages suffered arising from such errors or omissions.

For more information, please write to: *Contact* Newsletter, TD Merchant Services Marketing Department, 100 Wellington Street W., 29th Floor, Canadian Pacific Tower, Toronto ON M5K 1A2; or call toll-free 1-800-363-1163; or visit www.tdmerchantservices.com

¹ The call must be received by 4 p.m. (ET) on weekdays and 2 p.m. (ET) on weekends.

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