



THE RETAIL MERCHANTS' ASSOCIATION OF CANADA (ONTARIO) INC.

10 Milner Business Crt, Suite 401, Scarborough, Ontario M1B 3C6

Tel. (416) 293-2100 Fax (416) 293-2103

E-mail: info@rmacanada.com **Website:** www.rmacanada.com

November 4, 2009

Mr. Tim Wilson
President
Visa Canada
40 King Street West
Suite 3710
Toronto, ON M5H 3Y2

Dear Mr. Wilson:

As a member of the coalition, The Retail Merchants' Association of Canada Ontario Inc "RMA", has also received a large number of calls from members voicing their concern with the lack of clarity and transparency with respect to the introduction of the new Visa debit card scheme in Canada.

RMA has also reviewed a number of letters from Canadian processors acquirers and it appears that the information provided to merchants is confusing, inconsistent and/or incomplete, as stated in Mrs. Diane Brisebois' letter. Much of the misinformation relates to Visa debit and to the rules associated with this product.

In fact, I personally feel that the manner in which you are introducing your Visa Debit is highly unfair and suspicious. Under the guise of promoting a "new safer system", you are trapping merchants who do not "upgrade" with the threat of financial liability. You are now suddenly neatly introducing your Visa Debit at the same time as you are "upgrading" to the "new safer system".

This is practically tantamount to deceit if Visa cards and pin pads are programmed to give priority routing to Visa Debit, unbeknownst to our members and merchants in general. While Visa Debit may be a lucrative move for your company, it represents added costs to our members, to all merchants to the economy of Canada and threatens to destroy "Interac", one of the safest and most economical system.

As President of RMA, I am extremely concerned and ask you, to provide our members and all merchants with accurate information. I am also asking you to respond by November 11th in writing to the questions, as requested by Mrs. Diane Brisebois, RCC President, who has spearheaded this coalition.

RMA has every intention to also request clarification from MasterCard, processors/acquirers as well as issuing banks on matters relating to all new debit schemes.

All letters will be posted on the RMA web site at www.rmacanada.com and your response will also be posted upon receipt and as of the deadline date noted above.

In conjunction with RCC and the coalition members, RMA has also publicly stated its concerns vis-à-vis merchant credit and debit card fees, the honour all cards rules, flat fees for debit, priority routing and several other payment matters that negatively impact our merchants and their customers.

It is also our intention to continue to advocate for rules and regulations that will ensure competition, accountability and transparency.

We look forward to your reply and thank you in anticipation.
Yours truly

Ralph Moyal
President & Chief Executive Officer
The Retail Merchants' Association

C/c Members of *'Stop Sticking It To Us'* Coalition organizations
Retail Council of Canada Members
The Hon. James Flaherty, Minister of Finance