

FEEADVOCATES NEWSLETTER



THE WORLD IS CHANGING

Electronic payment processing now over 86% of transactions in Canada.

Takeover of Canadian processing firms including the largest, Moneris which is now in talks with a U.S. company.

POS systems are being



UPCOMING NATIONAL FEE CHANGES

Effective date: November 1, 2026

Description: Interac will increase its Interac Switch (Assessment) Fee and Mobile Service Fee.

Change: The fees will increase from \$0.015803 to \$0.016315 CAD per transaction.

Effective date: November 1, 2026

Description: For Interac Flash (contactless) transactions, merchants in MCC 5531 who are currently priced at Tier 1 will be migrated by Interac to Tier 3 pricing.

Change: For merchants in MCC 5531, Interac Flash (contactless) transactions between \$0.01 and \$100.00 will be assessed at the Tier 3 rate of \$0.035 per transaction, an increase from the Tier 1 rate of \$0.020 per transaction.

Change: The fee will be 0.113% of qualifying embedded payment transactions processed using Visa virtual accounts through Visa's embedded payments integrations and partnerships.

Effective date: October 19, 2026

Description: Mastercard will introduce the Acquirer Network Access and Brand Usage (NABU) Fee.

Change:

The fee will apply as follows:

- \$0.022035 **USD** for domestic transactions
- \$0.033335 **USD** for foreign transactions
- \$0.011074 **USD** for domestic authorization reversals
- \$0.016724 **USD** for foreign authorization reversals

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Effective date: October 24, 2026 (transactions submitted for clearing and settlement on October 23, 2026, will also be subject to the new rates)

Description: Mastercard will introduce new product codes and corresponding interchange rates for the Mastercard Business-to-Business Wholesale Travel and Flex programs.

Change: Table of changes available

“Digital Payments Make up 86% of all Payment Transaction in Canada”

CANADIAN PROCESSOR CHANGES

Soon the number of Canadian controlled Payment Acquirers will possibly be one less as RBC and BMO are negotiating with a U.S. firm to sell Moneris. This is a concern to us as the U.S. industry is completely different than the Canadian industry. Our experience has been that support based in Canada as Moneris is now is preferable to U.S. based support. Other U.S. based Processors have seen a marked decrease in support after it was moved to the U.S. or other countries. TD Merchant Solutions which had one of the best readable statements in the industry is selling its portfolio to Fiserve which has in our opinion the worst statement format in the industry.

For more information we were recently interviewed by the Financial Post on this subject [link here to the National Post article](#)

YOUR ACTION ITEM THIS MONTH

Take 15 minutes to review your latest processing statement.

- Compare total processing charges with your card sales volume.
- Look for new or increased fees.
- Check terminal rental, service and monthly administration charges.
- Confirm that announced pricing changes are reflected as expected.
- Ask questions about charges you cannot identify or explain.

Keep your statement and any fee-change notices together. Comparing several months can help distinguish ordinary variations from meaningful changes in your costs.

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YOU KNOW YOUR BUSINESS. WE KNOW PAYMENT PROCESSING.

FeeAdvocates is an independent firm specializing in payment card processing. We help Canadian businesses understand their processing costs, evaluate their current arrangements and explore alternatives that may better suit their needs.

Request a complimentary, confidential processing audit.

There is no obligation to make a change. Our goal is to help you understand your options so you can make an informed decision.

FeeAdvocates

ABOUT POS SYSTEMS

Processors and POS/PMS suppliers are working towards integrating ownership of all 3 segments necessary to make a system fully integrated. This means the system not only handles inventory but checkout scanning and payment authorization.

Fully Integrated

- POS/PMS program handles inventory, scanning, reservations and many other addons such as relationship followup.
- A Gateway gets your system onto the networks to get authorizations from the banks
- The Acquirer/Processor handles the movement of the money and billing for processing.

Semi-Integrated

- The POS/PMS system handles all of the processes above
- The Acquirer/Processor handles all of the transactions no separate Gateway is needed

Advantages of Full Integration

- No worries about checkout errors the POS/PMS and payments balance every night.

Advantages on Semi Integration

- You get all of the advantages of the POS/PMS system
- You have more control over fees and more clarity
- System security when transactions are transmitted though the Acquirers hardware is their responsibility (some exceptions may apply).
- Some POS/PMS systems do not publish separate processing invoices making determining fees very difficult to determine

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Disadvantages of Full Integration

- You are at the mercy of the provider for rates as it is difficult to change providers when you have a POS/PMS system installed.
- There may be risk to you for any breaches of security and card information is the card information is transmitted through your hardware and/or stored on a server under yours or the providers control

YOU KNOW YOUR BUSINESS

WE KNOW ELECTRONIC PAYMENT PROCESSING!

KNOW WHAT IT IS COSTING YOU TO
GET PAID!

CONTACT US FOR A NO OBLIGATION
NO COST PROCESSING CLARITY
REVIEW

Disadvantages of Semi Integration

- Balancing may become an every day issue as staff has to enter the amount of each transaction separately. If there is a difference at the end of the day balancing will be an issue.
- If you have online transactions a separate system is needed to facilitate this.

The above is a general breakdown of the systems and will vary depending upon system used and your business situation.

Every business is different we offer alternatives you choose what works best for your business.

FEEADVOCATES

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Member of:

- Greater Niagara Chamber of Commerce
- South Niagara Chambers of Commerce
- Niagara Board of Trade and Commerce
- Camping in Ontario
- Canadian Federation of Independent Business

Links:

- FeeAdvocates
- [Code of Conduct for the Payment Card Industry](#)
- [Visa Canada Interchange fees \(paid to card issuing banks\)](#)
- [Visa Canada Network Fees \(paid to Visa\)](#)
- [Mastercard Canada Interchange Fees \(paid to card issuing banks\)](#)
- [MasterCard Canada Network Fees \(paid to MasterCard\)](#)
- Amex Fees Canada not posted but they are negotiable and they have a special rate list called "Opt Blue" for lower volume merchants

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