

Question 6:

In the area of authorizations remaining and being stored in Canada, requirement 3.3.1.3, is CMHC suggesting that the gateway of choice be fully managed and housed within Canadian borders only and without exception to be considered? If components of a gateway are managed outside of Canada and the security of processing can be demonstrated, is an exception possible?

Response:

CMHC is obliged to protect any information provided to CMHC; as such CMHC requires that control of the information sent to a gateway processing remain in Canada under Canadian laws. CMHC is confident that there will be gateway processors that can meet this requirement. At this point CMHC will leave this requirement as mandatory and as written.

Question 7:

Third parties are commonly contracted to host environments and support operational aspects of a Branded Authorization Gateway. Please clarify the Third Party concern? For example, if they are not corporate staff is it considered Third Party?

Response:

CMHC will issue only one contract for this service, and expect one vendor to be responsible for all Terms and Conditions. As well CMHC wants to be able to control the adherence of the mandatory requirements surrounding the security and flow of credit card information. This can be managed more clearly if only one party is involved in the processing cycle. CMHC is confident that there will be gateway processors that can meet this requirement. At this point CMHC will leave this requirement as mandatory and as written.

Question 8:

From a sales standpoint, would you be able to supply the following related to the \$890,000 2012 Sales Volume?

1. Annual Visa volume and transactions (sales and returns)
2. Annual MC volume and transactions (sales and returns)
3. Annual Amex volume and transactions (sales and returns)
4. Interchange breakdown for Visa and MC
Response – this is Proprietary information that can not be disclosed.

5. Percentage of transactions via website and VT
Response – Less than 1 percent of transactions are done via the VT. The VT is only used for corrections and to view reports for reconciliation

Please see table below for volume breakdown.

Response:

1,2,3: Volumes are as follows:

Card type	# Total Transactions	total \$	# Sales Transactions	Sales \$	# Return transactions	Returns \$
VISA	3586	581,597	3495	599,937	91	18,339
Mastercard	1585	228,213	1551	223,930	34	5,717
AMEX	411	74,961	404	75,696	7	735
Total	5582	884,771	5450	909,563	132	24,791