



INTERAC Online

Customer Service Rules

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CUSTOMER SERVICE RULES

1. Introduction

This document sets out the Customer service requirements that must be put in place in respect of INTERAC Online. The requirements focus on the interests of the Customer. The following guiding principles of INTERAC Online underpin these Customer Service Rules:

- a) INTERAC Online must provide a level of protection to Customers that promotes the use of the Service as a preferred payment mechanism;
- b) the Issuer maintains the primary relationship with the Customer, while the Acquirer maintains the primary relationship with the Merchant;
- c) it is recognized that a commercial relationship exists between the Merchant and the Customer. Problems related to the nature of the product or of the commercial transaction between the Customer and the Merchant (*e.g.*, issues related to product shipment, product or service quality, returns, warranty claims, *etc.*) shall be resolved between the Merchant and the Customer;
- d) to create appropriate incentives to manage risk, the risk of loss will be allocated to the party best able to control the outcome (*i.e.*, Issuer, Acquirer, Merchant or Customer); and
- e) Customers must be fully informed of the risks associated with the use of INTERAC Online and of the process for dealing with any dispute that arises.

2. Definitions

“Acquirer” means the Participant that is responsible for introducing an INTERAC Online transaction into the network.

“Acquirer Claim” means a claim for any direct loss incurred by a Customer in connection with an INTERAC Online Transaction resulting from any of the following:

- i. a system malfunction, technical failure, or other processing error at the Acquirer, Merchant, or at any other Person for whom the Acquirer or Merchant is responsible; or
- ii. fraud or negligence at the Acquirer, Merchant, or by any other Person for whom the Acquirer or Merchant is responsible.

“**Claim**” means an Acquirer Claim or an Issuer Claim.

“**Customer**” means any Person who maintains an account with an Issuer.

“**E-Commerce Code of Practice**” means the Canadian Code of Practice for Consumer Protection in Electronic Commerce, published by Industry Canada on January 16, 2004.

“**Issuer**” means a Participant that is a financial institution providing its Customers with access to Web banking.

“**Issuer Claim**” means a claim for any direct loss incurred by a Customer in connection with an INTERAC Online transaction resulting from any of the following:

- i. a system malfunction, technical failure, or other processing error at the Issuer or at any Person for whom the Issuer is responsible; or
- ii. fraud or negligence at the Issuer or by any other Person for whom the Issuer is responsible;
- iii. a circumstance where the Customer has been the victim of fraud, force or intimidation, provided that the Customer has not contributed to the loss, promptly notifies the Issuer when (s)he becomes aware of the incident and cooperates fully in any subsequent investigation.

“**Merchant**” means any Person that sells goods or services online and receives payment using INTERAC Online.

“**Password**” means the secret value used by the Customer, along with a login ID, to access the Issuer’s Web banking site.

“**Person**” means any individual, corporation, limited liability company, partnership, joint venture, trust, unincorporated organization, the Crown or any agency thereof or any other entity recognized by law.

“**Terms and Conditions**” means the terms and conditions established by an Issuer for the use of INTERAC Online by a Customer, as described in these Customer Service Rules.

3. Responsibilities of Issuers

A) *INTERAC* ONLINE TERMS AND CONDITIONS

An Issuer shall permit a Customer to use *INTERAC* Online only after the Customer has agreed to the Terms and Conditions established by the Issuer for use of the *INTERAC* Online Service. These Terms and Conditions may form an agreement on their own, or may form part of other agreements between the Issuer and the Customer (e.g., Web banking agreement).

The Terms and Conditions shall be written in plain language and shall be made available through the Issuer's Web banking site.

The Terms and Conditions must, at a minimum, cover the following subjects: dispute resolution; liability; confidentiality of Passwords; service charges; and termination.

The Terms and Conditions shall provide that Customers are not liable for losses resulting from circumstances beyond their control. These circumstances shall include:

- i. losses resulting from system malfunctions, technical failures, or other processing errors at the Issuer or at any Person for whom the Issuer is responsible;
- ii. losses caused by fraud or negligence at the Issuer or by any Person for whom the Issuer is responsible;
- iii. losses where the Customer has been the victim of fraud, force or intimidation, provided that the Customer has not contributed to the loss, promptly notifies the Issuer when (s)he becomes aware of the incident and cooperates fully in any subsequent investigation.

Customers must be informed when the Terms and Conditions change. The changes must also be made available through the Issuer's Web banking site.

B) ADDITIONAL CUSTOMER DISCLOSURE

The Issuer must:

- a) inform the Customer, before (s)he agrees to use the *INTERAC* Online Service for the first time, of the following:
 - i. any fees associated with the use of *INTERAC* Online;
 - ii. the purpose and function of the Password;

- iii. the Customer's responsibility for protecting the security of the Password and the possible consequences of a breach of that responsibility; and
 - iv. contact information in the event of a problem;
- b) ensure that the Password is disclosed only to the Customer, or selected only by the Customer;
- c) advise the Customer of the following:
- i. how to avoid unauthorized use of INTERAC Online, including typical Passwords to avoid for security reasons; and
 - ii. the potential extent of losses that could occur due to unauthorized use of INTERAC Online.

C) RESPONSE TO CLAIMS

Each Issuer must establish clear, timely procedures for dealing with problems arising from INTERAC Online, including Claims.

The Issuer shall be the primary point of contact for the Customer in respect of Claims.

When contacted by a Customer with a potential Claim, the Issuer shall seek to obtain sufficient information and evidence to investigate the Claim's validity.

When presented with an Issuer Claim, the Issuer shall immediately commence an investigation to determine the validity of the Claim. The Issuer shall take all reasonable steps to complete the investigation expeditiously.

In the case of an Acquirer Claim, where an element of the Claim involves an allegation of fact, the Issuer shall request copies of all relevant documentation from the Customer, and shall require that any assertions that support the Acquirer Claim be made by the Customer under oath. The Issuer shall transmit a completed Claim to the Acquirer as soon as practicable in the circumstances.

D) PAYMENT OF CLAIMS

Immediately upon determining that an Issuer Claim is valid, the Issuer shall credit the Customer's account with the amount of the Claim.

The Issuer shall credit the Customer's account with the amount of a valid Acquirer Claim forthwith upon receipt of payment from the Acquirer.

E) INVALID CLAIMS

Where it is determined that a Claim is not valid, the Issuer shall promptly notify the Customer of that determination, and shall provide a detailed explanation of the basis for the determination.

F) ADDITIONAL REQUIREMENTS FOR RESPONSE TO CLAIMS REGARDING UNAUTHORIZED TRANSACTIONS

When a Customer contacts an Issuer with a Claim regarding an unauthorized INTERAC Online transaction, the Issuer shall inform the Customer of the following:

- i. that the Issuer will investigate the INTERAC Online transaction(s) in question;
- ii. that a determination regarding any reimbursement will stem from the investigation;
- iii. that the Issuer will respond to the Claim as soon as possible, but in no later than ten (10) business days; and
- iv. that, during the investigation, the Issuer may require a signed written statement or affidavit from the Customer, which may result in a temporary suspension of the 10 day time limit, until the requested information is received.

When presented with a Claim concerning an unauthorized INTERAC Online transaction, the Issuer shall immediately commence an investigation to determine the validity of the Claim. The Issuer shall take all reasonable steps to complete the investigation expeditiously, and in any event shall respond to the Customer within ten (10) business days. In the event that the Issuer requests that a Customer provide a signed written statement or affidavit with regard to the reported unauthorized transaction during the course of an investigation, the 10 day time limit may be temporarily suspended until such a statement or affidavit is received by the Issuer.

In the event that the result of an investigation determines that not all the funds will be reimbursed to the Customer, the Issuer is responsible for showing that, on the balance of probabilities, the Customer contributed to the unauthorized INTERAC Online transaction(s).

4. Responsibilities of Acquirers

A) STATEMENT OF RESPONSIBILITY

An Acquirer is responsible for all Acquirer Claims. An Acquirer may require a Merchant to indemnify it for any amount paid in respect of Claims that are caused by, or are the responsibility of, the Merchant. However, this shall not permit the Acquirer to delay payment of a valid Claim until funds are received from the Merchant.

While the Acquirer may look to the Merchant to account for losses flowing from Claims arising from problems or negligence at the Merchant, it is the Acquirer that must ensure that these Claims are paid in accordance with the provisions of these Customer Service Rules.

B) RESPONSE TO CLAIMS

Each Acquirer must establish clear, timely procedures for dealing with problems arising from INTERAC Online, including Claims.

When presented with an Acquirer Claim, the Acquirer shall immediately commence an investigation to determine the validity of the Claim. The Acquirer shall take all reasonable steps to complete the investigation expeditiously.

C) PAYMENT OF CLAIMS

Immediately upon determining that an Acquirer Claim is valid, the Acquirer shall pay the amount of the Claim to the Issuer.

D) INVALID CLAIMS

Where it is determined that an Acquirer Claim is not valid, the Acquirer shall promptly notify the Issuer of that determination, and shall provide a detailed explanation of the basis for the determination.

E) ADDITIONAL REQUIREMENTS FOR RESPONSE TO CLAIMS REGARDING UNAUTHORIZED TRANSACTIONS

Where an Acquirer is requested by an Issuer to provide information to support an investigation of a Claim regarding an unauthorized INTERAC Online transaction, the Acquirer shall take all reasonable steps to respond expeditiously, and in any event shall respond to the Issuer within seven (7) business days to allow the Issuer to provide a timely response to the Customer.

F) E-COMMERCE CODE OF PRACTICE

Each Acquirer shall include in its agreement with each of its Merchants a requirement that the Merchant comply with the E-Commerce Code of Practice. Where the Acquirer is presented with evidence that a Merchant is consistently failing to adhere to the E-Commerce Code of Practice in its dealings with Customers, the Acquirer shall take corrective action to remedy the situation.

Please [click here](#) to view the E-Commerce Code of Practice.

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