Welcome to the **February** edition of ACT News. This complimentary service is provided by ACT Canada; "building an informed marketplace". Please feel free to forward this to your colleagues.

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ACT Canada Partners

INGENICO - *Point of Sale Equipment Partner*
Ingenico Group is the global leader in seamless payment, providing smart, trusted and secure payment solutions to empower commerce across all channels, in-store, online and mobile. With the world's largest payment acceptance network, we deliver secure solutions with a local, national and international scope in 125 countries. For over 30 years, we have been the trusted world-class partner for financial institutions and for retailers, ranging in size from small merchants to several of the world's best known global brands. Our smart terminal and mobile solutions enable merchants to simplify payment and deliver their brand promise.

INTERAC - *Payment Network Partner*
Interac Association is a recognized world leader in debit card services. Interac Association is responsible for the development and operations of the Interac network, a national payment network that allows Canadians to access their money through Interac Cash at 60,000 Automated Banking Machines and Interac Debit at 766,000 point-of-sale terminals across Canada. Interac Flash, a secure contactless enhancement of Interac Debit allows Canadians to pay for items instantly with their Interac chip debit card at a reader that supports Interac Flash.

PAYMENTS BUSINESS - *Media Partner*

New and Renewing Members

General Member
FIME sa ~ member since 2006
Global Payments Canada ~ member since 2011
Home Trust Company ~ member since 2009
KPMG Management Services LLP ~ member since 2011
NBS Technologies Inc. ~ member since 2008

Career Opportunities

Visit our career opportunities section for the latest opportunities - http://www.actcda.com/information/careers/

Looking for good people?
There is a lot of movement in the market, so if you are looking for new employees, we are always aware of some great people. Please contact ACT Canada for more details - postings@actcda.com

Calendar Of Events

Connect:ID
Mar 14 - 16, 2016
Washington, DC, USA
ACT Canada Members receive a 20% discount
http://www.connectidexpo.com/

All Payments Expo 2016
Mar 21 - 23, 2016
New Orleans, LA, USA
ACT Canada Members receive a 10% discount
http://www.iirusa.com/allpaymentsexpo/

Money20/20 Europe
Apr 4 - 7, 2016
Copenhagen, Denmark
ACT Canada Members receive a €200 discount
https://www.money2020europe.com

Payments Summit
Apr 4 - 7, 2016
Orlando, FL, USA
ACT Canada Members receive a 20% discount
http://www.scapayments.com/

Host Card Emulation Summit 2016
April 18, 2016
New York, NY, USA
ACT Canada Members receive a 30% discount
http://www.hcesummit.com/newyork/

ACT Networking
Apr 26, 2016
Houston Avenue Bar & Grill, Toronto, Canada
ACT Canada Members receive a 35% discount
http://www.actcda.com/calendar/act-canada-events/active-networking.html

Cardware 2016
Jun 14 - 15, 2016
Marriott Gateway on the Falls, Niagara Falls, Canada
ACT Canada Members receive substantial discounts by using their member rate
http://www.cardware.ca

David Chaudhari Memorial
We all have such great memories of David, so please join us Monday, March 7th, as we share them. We will be at Houston Avenue Bar & Grill, from 3 pm to 6 pm. Join us as we remember all that David brought to each of us. Houston's is at 33 Yonge Street (SE corner of Wellington).

ACT is on the Road
ACT Canada will be at the following events in March:
- Connect:ID, Mar 14 – 16 in Washington, DC
- All Payments Expo 2016, Mar 21 – 23 in New Orleans, LA

Cardware Update
Our program is keeps evolving to meet the needs of this dynamic market. We will take you through the state of innovation today – from the possible to the profitable. Our briefing room is focused on strategic innovation.

- 5 of the top issues being discussed in the C suite
- 8 individual briefing sessions
- 23 perspectives from subject matter experts
- 175 minutes of open forums for dialogue, debate and directing strategic innovations

And that's just the first day! There's only one rule for the briefing room: we commit that you'll leave with a better understanding of what can hurt you and what can help.

For more information on attending, exhibiting or sponsorship opportunities, please visit www.cardware.ca.

Articles

1. EDITORIAL - Turn it off?
Source: Catherine Johnston, CEO, ACT Canada (02/29)

Several of my favourite people, all senior executives, have been seriously ill recently. It has made me think about whether they have something in common. Sadly they do, and most people reading this editorial also have the same thing in common. Perhaps you should be concerned. The commonality is technology that enables us to work 24/7. The original vision was that technology would help us be so efficient that our work week would be reduced to four days. The irony was that in those days, when you left the office, you didn't normally take work home with you. You rarely worked weekends and your boss only expected you to get 35 or 40 hours of work done in any given week. Today the expectations have changed because technology allows us to work at home, on planes, buses and trains. Unless you are the driver, you can work in the car. What the heck, you can work in bed and how many of us end and start our days in bed with email.

Here's the problem. The human body has not evolved as fast as technology. It cannot process stress or fatigue much better than it did 50 years ago. Perhaps our parents and grandparents who were exposed to world wars learned to handle the stress. Even then, wars did not last forever, and they returned to a quieter life. There are sound reasons why people in some occupations are limited to a specific number of hours they may work in a day, week or month. You probably don't want your pilot to be stressed or fatigued. There is no vaccine for technology, but there are off buttons. Give your mind and your body a break. Turn it off from time to time. Your friends and family, your career and company, they will all benefit when you are rested. I'm going home now, so don't expect a reply to your email until tomorrow.

2. INTERAC PAYMENT INNOVATION ACCELERATING GROWTH OF DIGITAL PAYMENTS IN CANADA
Source: Interac (02/22)

Interac Association/Acxsys Corporation ("Interac") has introduced enhanced innovative capabilities that are setting the standard for secure debit payments and accelerating the growth of digital payments in Canada. A key development is the Interac Token Service Provider (TSP), which is among the first for a domestic debit network globally. This proprietary token generation and management service enables financial institutions, merchants and our partners to innovate, build and manage secure digital payment experiences. "The Interac TSP is core to our digital strategy and solidifies our position as a driver of innovation and champion of secure debit payments," said Mark O'Connell, President and CEO, Interac Association and Acxsys Corporation. "It offers the security and customization that our consumers and clients demand with the capability for tokenized digital debit transactions on any device or mobile wallet that supports it."

"Extending our strong value proposition to digital payments is a given," said Avinash Chidambaram, Vice President, Product and Platform Development, Interac Association and Acxsys Corporation. "Canadian consumers use us more than any other payment brand and acceptance is nearly ubiquitous at merchants from coast to coast because of the benefits we provide to them." The Interac TSP was developed in collaboration with IBM, a world leader in mobile and cloud computing, Bell ID and Everlink. Leveraging this suite of innovative solutions, the Interac TSP is capable of supporting financial institutions and mobile technology providers with secure digital products at scale. Interac, a member of the FinTech Cluster at MaRS Discovery District, is shaping the future of digital debit payments in Canada. This Interac TSP development follows another innovation milestone for the Interac product suite: the extension of the Interac e-Transfer platform to include bulk disbursement service. This enhanced service gives commercial banking customers a fast, streamlined, secure, and cost-effective digital alternative to cheques and prepaid card disbursements, without the need to collect personal financial bank account information.

The concept of substituting consumers' financial information with a "token" has been integral to the security of Interac products. For example, Interac debit cards feature an identifier (not an account number) on the front of the cards, Interac Online uses a one time identifier to complete a transaction, and the Interac e-Transfer service requires only an email or a mobile phone number to send money – no account information is shared between senders and recipients. "Having our own TSP is a natural evolution of our strong security value proposition," said Chidambaram. "As the digital landscape evolves and grows, we will continue to transform our payment solutions to ensure consumers and merchants can continue relying on Interac products now – and well into the future."

About the Interac TSP

Key features and benefits include:
- Security features that align with global mobile industry standards. Tokenization substitutes consumer's financial information with a secure token, which consists of a unique, randomly generated sequence of numbers. This token, which is meaningless to unauthorized parties, can only be used on the consumer's mobile device.
- Freedom for consumers to make purchases whenever, wherever and however they want. The Interac TSP represents an 'open' mobile debit payment solution with device-agnostic technology that can be implemented on any mobile device that supports it.
- Seamless integration with payment partners. Financial institutions, mobile technology providers and merchants can use the Interac TSP to innovate, build and manage secure digital payment experiences. The platform is built to scale and allows for continued innovation.
- A trusted payment choice for all stakeholders within the payments chain. Transactions through the Interac TSP use the existing functionality and security of Interac Flash contactless debit technology. It offers strong consumer protections such as protective passcode verification and zero customer liability. Merchants benefit from real-time transactions: payment is received immediately and chargebacks never occur. It is also one of the lowest-cost payment acceptance options for merchants.

Interac is a member of ACT Canada; please visit www.interac.ca.

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3. CANADA'S CREDIT UNIONS OFFER MOBILE PAY SERVICE WITH MOBILE INTERAC FLASH - THE NEW SOLUTION LEVERAGES THE INTERAC TOKEN SERVICE PROVIDER
Source: Canadian Credit Union Association (02/22)

Canada's credit unions will be offering a new secure Mobile Pay service using Interac Flash starting this spring. Credit union member/owners will be able to use their supporting smartphones to make purchases directly from their savings or chequing accounts at retailers displaying the Interac Flash logo. This new solution builds upon the success of Interac Mobile debit solutions and the Interac Token Service Provider (TSP), which enables credit unions to innovate, build and manage secure digital payment experiences. Credit unions will be the first users of the new Interac TSP in Canada. "The Mobile Pay service will be an easy to use, convenient method of giving credit union members the option of purchasing on the go using their supporting smartphones instead of debit cards," said Martha Durdin, president and CEO, Canadian Credit Union Association. "It is also another great example of how credit unions are using technology by working with industry leaders to make financial transactions easier."

As the Canadian payments landscape evolves, so do payment solutions. The Interac TSP offers world-class security through the tokenization of digital debit transactions. "Canadian consumers expect strong security, particularly when using debit solutions that access the money in their bank accounts," said Mark O'Connell, president and CEO, Interac Association and Acxsys Corporation. "By leveraging the Interac TSP with their mobile pay solution, credit unions can offer their members peace of mind knowing that their mobile transactions are secure." The introduction of the Mobile Pay service was developed in response to the needs of their members and owners. "This new mobile pay platform provides members with another easy, convenient and secure way to access their money," said Gary Genik, SVP and Chief Information and Technology Officer for Meridian, and Mobile Pay CIO project team lead for CCUA.

The first four credit unions that will launch the Mobile Pay service are: Affinity Credit Union in Saskatchewan, Conexus Credit Union in Saskatchewan, First West Credit Union in British Columbia and Meridian in Ontario. Additional credit unions will introduce the Mobile Pay service throughout the year.

Canadian Credit Union Association and Interac are members of ACT Canada; please visit www.ccua.com and www.interac.ca.

4. CANADA'S FIRST OPEN DIGITAL WALLET UGO PAY ENABLES P2P TRANSFERS
Source: Let's Talk Payments (02/02)

UGO, Canada's first open digital wallet that supports loyalty, gift, credit cards announced that it added P2P money transfers to its UGO Wallet called UGO Pay. UGO Pay will initially be available in beta and provide customers an opportunity to transfer funds securely and easily on the mobile device. Basically, UGO is adding Venmo to the wallet. Alec Morley, CEO of UGO, commented in the official press release, "With the addition of UGO Pay, our wallet now offers more functionality on more smartphones than any other digital wallet in Canada today. Our customers have already added nearly half a million loyalty, gift and payment cards to their UGO Wallets, and UGO Pay is another example of how we continue to bring to market the combined features and capabilities that allow users to simplify their lives."

With the new service, UGO Pay users will be able to load money from Visa or MasterCard credit/debit cards onto UGO Pay. One-time load is limited by a range from $5 to $999.99. The description of the way the service works is slightly reminiscent of Google Wallet's exciting feature of sending money "in minutes" just using someone's phone number. UGO Pay will allow to make real-time transfers securely and easily via text messages using either a sender's existing address book, or by inputting any Canadian mobile phone number. Recipients can accept funds with a few taps and choose to keep a balance for future use, cash out, or

make a purchase at popular restaurant locations, including Swiss Chalet, Harvey's and Milestones, as the company promises.

The tricky part is that UGO is inclusive with the service and only UGO Pay users may accept funds. If a recipient receives a notification and in case he is not a UGO Pay user, he will be directed to download the app. Aside from the P2P transfer function, UGO Wallet can be used to make a payment at any merchant who supports contactless payments. Moreover, the wallet allows to redeem reward points and gift card balances wherever the merchant has the appropriate technology at POS. In the coming months, UGO is looking to evolve the service and add new features. UGO Pay will be supported across iOS, Android and BlackBerry mobile platforms regardless of the carrier. As company stated, all features of the wallet are backed by bank-grade security with optional PIN or password settings.

It is interesting that another digital wallet (just like Google Wallet) is refocusing towards P2P payments. We have been actively analyzing mobile wallets space with tightening competition, low usage and adoption. There is a chance that more and more companies along with Google and UGO that support mobile wallets will start redefining the service to move away from NFC payments to P2P transfers. However, UGO may as well just be looking to expand the services to become a one-stop place for users. In that case, the service will have to significantly invest in the expansion of its merchant network and not become redundant as a wallet.

MasterCard and Visa are members of ACT Canada; please visit www.mastercard.ca and www.visa.ca.

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5. OT STRENGTHENS ITS PORTFOLIO IN CANADA WITH INTERAC-CERTIFIED DUAL-INTERFACE CARD AND ONLINE FRAUD REDUCTION TECHNOLOGY
Source: Oberthur (02/16)

Oberthur Technologies (OT) announced the strengthening of its solution offering in Canada. OT is proud to introduce its dual interface debit payment card certified by Interac and its Motion Code EMV payment card to reduce Card-Not-Present (CNP) fraud. OT's dual interface payment card with Interac Flash, the contactless enhancement of Interac Debit, complements its well-established range of Visa, MasterCard, Discover and American Express EMV products and services for financial institutions. Additionally, OT brings to the Canadian market its innovative technology known as the Motion Code card. Motion Code adds a new layer of security to online transactions. It reduces CNP fraud and it is completely transparent to the cardholders and retailers. The static printed code (CVV) is replaced by a mini-screen that displays an automatically refreshed code generated by an algorithm (dynamic CVV).

"We're pleased to offer both an Interac certified dual interface payment card and Motion Code. These products demonstrate OT's continued commitment to meet the needs of the Canadian market," said Martin Ferenczi, President for North America at Oberthur Technologies. "OT is proud to bring a new level of customer-focus and innovation to Canadian customers with the best-in-class payment products and services which are supported locally."

American Express, Discover, Interac, MasterCard, Oberthur Technologies and Visa are members of ACT Canada; please visit www.americanexpress.ca, www.discover.com, www.interac.ca, www.mastercard.ca, www.oberthur.com and www.visa.ca.

6. WHAT SAMSUNG PAY MEANS FOR CANADIANS
Source: Android Central (02/21)

Samsung announced that in addition to expanding to larger markets like China this year, Samsung Pay will be coming to Canada as well. Like other mobile payment services like Apple Pay and Android Pay, Samsung's version substitutes a physical credit card for a smartphone — in this, a Galaxy S6 or S7 series — to make physical payments in stores. Unlike those services, though, Samsung relies on a technology called MST, or Magnetic Secure Transmission, to transfer the payment credentials from the phone to the payment terminal. This does two things: it removes the onus on the merchant to have an NFC-enabled payment terminal; and it allows Samsung Pay to work with practically any existing payment terminal in the U.S. Essentially, Samsung Pay mimics the physical magnetic stripe on the back on a credit card. Pretty smart, actually.

Android and Apple Pay, on the other hand, require NFC-based terminals because they use a system called EMV, which moves secure card credentials from the easily-duplicated (and often-stolen) magnetic stripe to a small gold-colored microchip usually located on the top of the card. Now, Samsung Pay also supports NFC-based payments using EMV technology along with MST, but regardless of which method is used to make a payment, Samsung smartly implemented a second layer of protection: tokenization. Essentially, instead of transmitting the actual PAN, or credit card number, from the phone to the payment terminal, when the card is first added to Samsung Pay it generates a token — a random series of numbers that only the payment network, can decode — that is given to the merchant. If, for some reason, that number is intercepted, it will not be of much use to any potential hacker, since it's single-use number that can easily be changed if reported stolen.

So what does this mean for Canada?

While we don't know when exactly Samsung Pay will come to Canada, we know a few things: Samsung added Canada to its "2016 Roadmap" for the mobile payment service; and when it arrives, it will likely have limited credit card support. Apple Pay launched in Canada last November with, ironically, only American Express support, since the payments company operates as both a bank and credit card issuer in Canada. The move was mirrored in a number of other countries, including Spain and Australia, which likely means Apple is attempting to "batch" negotiate with Visa- and MasterCard-issuing banks in multiple countries at once.

While Samsung claims that Samsung Pay will support loyalty and gift card storage at some point in the future, it's likely that it will look and feel very similar to Apple Pay when it launches in Canada. The company has confirmed that it will have NFC support (which means it will definitely use EMV technology, though that isn't explicitly stated) when it comes to Canada, since most merchants no longer accept payment through magnetic stripe for security and liability reasons.

American Express, MasterCard and Visa are members of ACT Canada; please visit www.americanexpress.ca, www.mastercard.ca and www.visa.ca.

7. VISA BRINGS SECURE PAYMENTS TO THE INTERNET OF THINGS
Source Visa (02/21)

Visa Inc. announced that it is expanding its Visa Ready program to include Internet of Things (IoT) companies, such as manufacturers of wearables, automobiles, appliances, public transportation services, clothing and almost any other connected device. Emerging IoT companies will join mobile device manufacturers, including mobile point-of-sale acceptance (mPOS) providers, mobile NFC-enabled device manufacturers and other technology partners in the Visa Ready Program. The Visa Ready Program gives companies one seamless path to integrate secure payments into their products and services. Visa Ready partners receive access to industry best practices, tools and resources, and Visa's Digital Enablement Program (VDEP), which includes streamlined access to Visa Token Service (VTS). The Visa Token Service, an innovative security technology, allows secure mobile and digital payments anywhere there is an Internet connection.

The first IoT companies to join the Visa Ready Program will focus on payments for wearables and automobiles. Initial Visa Ready partners include Accenture, Coin, Giesecke & Devrient, Fit Pay, and Samsung, who will work with device manufacturers including Chronos and Pebble, to help embed secure payments in consumer devices and have those devices certified as Visa Ready. Mobile technology is accelerating the pace of change in the payments industry, helping open up new possibilities for a generation of consumers who increasingly

rely on connected devices to manage their money, shop, pay and get paid. The number of IoT enabled devices is expected to reach 50 billion by 2020 according to Cisco, providing a huge opportunity for secure payments to be a feature in just about any form factor.

"More and more, consumers are relying on smart appliances and connected devices to make their lives easier," said Jim McCarthy, executive vice president of innovation and strategic partnerships at Visa Inc. "By adding payments to these devices, we are turning virtually any Internet connection into a commerce experience – making secure payments seamless, and ultimately more accessible, to merchants and consumers." The Visa Ready Program is a commercial program designed to provide innovators with a path to help ensure that devices, software and solutions can initiate or accept Visa payments. It also provides a framework for collaboration with Visa, as well as guidance and best practices to access the power of the Visa network. Mobile point-of-sale acceptance (mPOS) providers, mobile NFC-enabled device manufacturers, and chip and platform providers are already playing a critical role in enabling new ways to pay and benefiting from the Visa Ready Program.

The Visa Ready Program for IoT will also enable device manufacturers to evaluate, develop and potentially adopt new payment methods that are already approved by Visa, and can help financial institutions and merchants drive growth by expanding the use and acceptance of electronic payments globally. As part of the Visa Ready Program, all participants will use the Visa Token Service (VTS) security technology that replaces sensitive payment account information found on payment cards, such as the 16-digit account number, with a unique digital identifier that can be used to process payments without exposing actual account details.

Accenture, Giesecke & Devrient and Visa are members of ACT Canada; please visit www.accenture.com, www.gi-de.com and www.visa.ca.

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8. GEMALTO LAUNCHES IOT SOLUTION TO MONITOR SMART OBJECTS IN REAL TIME
Source: Gemalto (02/11)

Gemalto announces the launch of its LinqUs IoT Quality of Service (QoS) offer, a comprehensive solution that enables mobile operators to monitor the cellular QoS of smart objects in real time. This ensures the most reliable connectivity, which is essential for any successful Internet of Things and M2M application. LinqUs IoT Quality of Service provides instant network status and analysis, and immediately highlights any issue by ensuring a rich array of data is readily available and accessible. Gemalto's LinqUs IoT Quality of Service is ideally suited to a wide range of use cases, including automotive, fleet management, smart grid, alarm panels and connected PoS applications. Mobile operators can provide their device manufacturer and service provider clients with clear visibility

of network and connectivity performances, facilitating Service Level Agreements and creating a highly effective means of differentiation.

LinqUs IoT Quality of Service can be deployed on the operator's premises, or in the cloud for fully outsourced management by Gemalto. Real time data is gathered via IoT QoS clients embedded in the device. All the information gathered by LinqUs IoT QoS is available via tailored Advanced Analytics, Customer Service and Service Level Agreement measurement dashboards. These feature an at-a-glance overview of the connectivity status of an entire fleet of devices, along with comprehensive reporting and map views. "Reliable connectivity is the foundation of successful investment in the IoT sector," said David Buhan, Senior Vice President of Mobile Subscriber Services for Gemalto. "A recent survey highlighted that more than 90% of operators believe they need to extend monitoring of their customers' experience to cover expanding IoT services. LinqUs IoT Quality of Service gives them the ideal tool to analyze performance, demonstrate their capabilities and deliver outstanding levels of service to clients."

Gemalto is a member of ACT Canada; please visit www.gemalto.com.

9. UL EXTENDS MOBILE PRODUCT PORTFOLIO WITH TEST TOOLS FOR M2M
Source: UL (02/26)

UL is pleased to announce the release of two new test tools for Machine-to-Machine (M2M) testing. The UL eUICC Profile Tester, a tool for testing and managing embedded SIM (eUICC) profiles, and the UL Subscription Manager Test Tool, a tool to test Subscription Manager processes. M2M refers to technologies that allow both wireless and wired systems to communicate with other devices of the same type. The M2M market is growing and evolving as the Internet of Things (IoT) concept becomes reality. It is a complex ecosystem, with new customers from many different industries. Mobile network operators view the M2M segment of IoT as a huge growth area. The embedded SIM (eUICC) plays an important role here. The eUICC allows mobile network operators (MNOs) and service providers (SPs) to take advantage of the rapidly growing and changing M2M market. In response to this, UL developed two test tools for the M2M industry. These will allow companies in the M2M industry to test their eUICC services and subscription manager processes, so they can offer a complete and secure solution.

Maxim DyachenkoMaxim Dyachenko, Director Products at UL's Transaction Security division states: "UL is proud to announce that with the UL eUICC Profile Tester and the UL Subscription Manager Test Tool, we are prepared to support companies in the M2M industry who want to develop, test and deploy their M2M solutions. MNOs and SPs can rely on our test tools to roll out an implementation that is secure and has worldwide interoperability." UL eUICC Profile Tester is the perfect tool for anyone in the M2M industry who wants to test

eUICC profile management and verify the resultant SIM profiles without the need for a Subscription Manager or Mobile Network. With this tool you can test the complete eUICC profile management lifecycle. It allows you to create a card profile from scratch, load profiles on to an eUICC, activate profiles and delete profiles. The test tool has an easy simple wizard interface for performing profile tasks, which allows you to test and manage profiles without the need to develop any test scripts. The tool communicates to an eUICC using the multiple supported and configurable secure channels, including SCP03, SCP03t, SCP80 and SCP81.

UL Subscription Manager Test Tool is the tool for companies in the M2M industry who want to test SM-DPs, SM-SRs or other server communication with an SM-DP or SM-SR. It can also be used to test Subscription Manager processes against an eUICC. The test tool simulates functionality of the SM-DP and the SM-SR as defined in the GSMA Remote Provisioning Architecture for Embedded UICC Technical Specification. It enables you to validate communication with an SM-DP or SM-SR (or both) via the standardized GSMA ES interfaces to determine if your M2M infrastructure is functionally correct. The M2M test tool portfolio also includes UL Mobile Spy and UL GlobalPlatform eUICC Test Suite. UL Mobile Spy is essential for anyone in the mobile industry that needs to analyze the communication between mobile handsets and SIM/USIM cards or between M2M devices and eUICC. The UL GlobalPlatform eUICC Compliance Test Suite tests correct remote management of multiple Mobile Network Operator subscriptions on embedded UICCs.

UL is a member of ACT Canada; please visit www.ul-ts.com.

10. DREAM PAYMENTS LAUNCHES MOBILE MERCHANT SERVICES PLATFORM FOR BANKS AND MERCHANT ACQUIRERS
Source: Dream Payments (02/23)

Dream Payments announced the launch of the Dream Mobile Merchant Services Platform. The platform enables banks and merchant acquirers to provide businesses of all sizes with an entire suite of mobile merchant services, including mobile point of sale applications, payment terminals, merchant onboarding, secure payment processing, and business analytics. Having launched a rapidly growing MPOS and mobile payments service for mobile businesses in 2015, Dream has now opened up its cloud-based Mobile Merchant Services Platform as a white label solution for banks and merchant acquirers. This announcement comes as the payment processing industry undergoes a major transformation, with merchants worldwide replacing legacy and fixed point of sale terminals with innovative, lower cost, EMV MPOS solutions.

"Banks and acquirers now have the ability to rapidly deliver mobile merchant services to business customers," said Brent Ho-Young, CEO of Dream Payments. "With Dream, banks and acquirers can finally attract and provide mobile payment

services to businesses through a cloud-based, cost effective, and flexible platform."

Transforming and Mobilizing Merchant Services

The Dream platform delivers the mobile merchant services desired by today's leading banks and merchant acquirers.

Mobile Point of Sale Applications

The Dream Mobile Merchant Services Platform includes pre-built, white label MPOS applications for iOS and Android based smartphones. These mobile apps allow merchants to accept payments, issue receipts, manage product catalogues, and view real-time sales and analytics.

Universal Mobile Payment Terminal Support

Dream supports EMV contact and contactless mobile payment terminals from leading terminal manufacturers. With Dream, acquirers can choose pre-integrated and certified devices that meet the needs of mobile merchants and dramatically reduce the cost and time required to bring new payment solutions to market.

Retail Distribution

Dream enables bank and merchant acquirers to sell and remotely activate mobile payment terminals through retail stores, bank branches, and mobile network operator locations. Dream's retail distribution and remote activation capabilities unlock alternative sales channels for merchant acquirers; channels that reduce the traditional costs required to attract, onboard, and support new merchants.

Third Party Software Development Kit ("SDK")

The Dream SDK provides merchant acquirers, banks, and third party developers with the ability to customize Dream's white label mobile applications and to add payment accept services to their own mobile apps. With the Dream SDK, Dream's partners have the ability to create unique, differentiated, and value added applications and services that enable merchants to manage their business from their mobile devices.

Dream Payments is a member of ACT Canada; please visit www.dreampayments.com.

11. MOBEEWAVE UNVEILS CONTACTLESS PAYMENT-ACCEPTANCE CAPABILITY FOR MOBILE PAYMENT APPLICATIONS AT MOBILE WORLD CONGRESS

Source: Mobeewave (02/17)

Mobeewave announced it will be unveiling its patented secure contactless payment-acceptance capability for mobile payment applications at the upcoming Mobile World Congress in Barcelona. A specially crafted demonstration will debut at Mobeewave's booth (#7H40) in the Canada pavilion, showing how the company's technology, integrated into a mobile wallet or mobile banking application, can provide a True Wallet Experience for consumers, by allowing them to receive as well as make electronic proximity payment via their mobile phone. "We're very excited to be at Mobile World Congress this year to share our innovation with members of the mobile payment ecosystem," said Maxime de Nanclas, COO and co-founder of Mobeewave. "Up till now, the focus of industry interest and of commercial efforts on the part of mobile wallet purveyors has been on mobile payment at point of sale. Mobeewave's payment-acceptance capability will bring mobile payment into the realm of consumer-to consumer payments."

"Consumer-to-consumer mobile payment has been much in the news recently," added Benjamin du Haÿs, CEO and co-founder, "revolving mainly around closed-loop P2P platforms. With the arrival of the cashless society, as well as consumer concerns over the security of their sensitive information online, enabling anyone, anywhere, to make and receive electronic payment via mobile, with both friends and strangers, in an open and secure environment, will be a winning proposition for mobile payment providers."

Mobeewave is a member of ACT Canada; please visit www.mobeewave.com.

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12. BIOMETRICS NAMED MOST DISRUPTIVE TECHNOLOGY TO E-COMMERCE

Source: CardNotPresent.com (02/11)

Biometrics will be the most disruptive technology in e-commerce in 2016, according to Hampshire, England-based market research firm Juniper Research. The company said using personal biometric characteristics for authentication will surge this year, largely through increased adoption of Apple Pay and Samsung Pay. While these technologies are mainly used in stores, Apple Pay is authenticating in-app purchases using Touch ID—it's fingerprint authentication technology—and Samsung Pay recently announced it would be available online. Juniper also identified federated identity—enabling one-touch account opening—and tokenization as the next most disruptive technologies in e-commerce this year. The report said while Facebook, Google and LinkedIn are the leaders in federated identity (think "Log in with Facebook"), it predicts banks, telcos and governments will enter the space as well. As for tokenization, Juniper said the support the

technology has received from Visa and MasterCard, who are working together through EMVco on standards, will lead directly to higher adoption in 2016.

MasterCard and Visa are members of ACT Canada; please visit www.mastercard.ca and www.visa.ca.

13. GIESECKE & DEVRIENT NOW AMEX ENABLED PARTNER FOR HCE CLOUD PAYMENT SERVICES
Source: Giesecke & Devrient (02/12)

Giesecke & Devrient (G&D) is pleased to announce that its Convego CloudPay solution has achieved AMEX Enabled accreditation for cloud-based specifications. The AMEX Enabled accreditation covers core services, including digital credential management, payment card provisioning and lifecycle management, as well as online data generation and related key management. With Convego CloudPay, G&D is offering a mobile, cloud-based payment service, which meets the specifications of the leading international payment schemes. The solution comprises two main components: the CloudPay Server for mobile card provision and life cycle management, and the CloudPay Client software offering functions for digitalized payment transactions. The CloudPay Server enables banks' customers to automatically download their payment card credentials onto their smartphones via Host Card Emulation (HCE) technology by using their bank's mobile app. Thereafter, consumers can begin to use their mobile payment function.

"With this certification and licensing agreement, the Convego CloudPay solution can now be used globally by any bank wanting to issue American Express compliant HCE payment cards", said Edgar Salib, Group Senior Vice President Financial Institutions division at G&D. "Consumers with an HCE enabled Android smart device can now apply for American Express services and branded payment cards. G&D becoming an AMEX Enabled partner further expands the options available for financial service providers with Convego CloudPay. Not only is our solution secure and complies with the payment scheme's requirements, it is also highly performant, enabling instant provisioning and fast payment, resulting in an excellent consumer experience."

American Express and Giesecke & Devrient are members of ACT Canada; please visit www.americanexpress.ca and www.gi-de.com.

14. FIVE THINGS TO LOOK FOR IN CROSS-BORDER PAYMENTS IN 2016 AND BEYOND
Source: Let's Talk Payments (02/20)

As the payments landscape continues to shift – driven by an increasingly global economy, the adoption of more digital-only channels, and increased

concerns over security and transparency – Mike Massaro, CEO of Flywire (formerly Peer Transfer) weighed in on the future of global payments. One area in which he anticipates significant growth, as well as continued change, is larger, cross-border payments. Massaro calls out five areas to watch in 2016 and the years to come.

The emergence of a new "global citizen" demographic

Today, there are more people transacting across borders in larger sums than ever before. This group does not feel bound by borders in terms of lifestyle, access or travel. They are spending increasing amounts on goods and services outside their home countries, resulting in a dramatic growth in cross-border payments – for education for their children, for medical care, for real estate and for other offerings. Businesses looking to appeal to this growing and affluent segment must take steps to reduce the friction in today's cross-border payment process.

An Increasing preference for digital channels for large cross-border payments
As large, cross-border payments become more common, consumers are looking for the most convenient, cost-efficient and transparent options. This is driving more of these transactions to the Web and mobile channels vs. traditional agent-based and bank-based options. The Web and mobile channels offer the ability to track payments instantly, confirm receipt and better understand the fees involved. The traditional agent-based model, while still sizable, will continue to diminish in importance as Millennials and Gen Xers gain affluence. Banks are already being forced to consider new forms of service delivery, as legacy models and fee structures diminish in relevance for younger segments who do not consider themselves bound by the banks their parents patronize.

A stronger focus on compliance and transparency with the threat of terrorism

With ever-increasing terror threats and the focus on cutting off financing sources for nefarious acts, we can expect to see a much greater emphasis on transparency and compliance. Any entity processing large, cross-border payments will need to be able to verify sources and recipients with increasing precision and certainty; ensure strict compliance with anti-money-laundering laws; and be able to provide detailed transaction reporting.

Increased demand for support services related to cross-border payments

Entities accepting large, cross-border payments in any significant volume will also need to be able to provide ancillary support services related to those payments. With consumers from around the world making large payments in different time zones, 24×7, multi-lingual, omnichannel customer support – including phone, email, chat, text and social media – becomes essential.

<u>Significant growth in large cross-border payments in two specific markets</u>

Education: In 2014, 4.5 million students from around the world attended schools internationally according to Open Doors. That number is expected to grow to 8 million by 2025. In the US alone, almost 1 million international students from 220 countries spend an estimated $27B in tuition and living expenses. It's a big business – and it's getting bigger every year. International Patient Care: Patients Beyond Borders estimates that the worldwide market for International Patient Care (sometimes referred to as "Medical Tourism") is at $40 billion today, and growing at a rate of 15-25%. Patients are traveling abroad from all over the world for access to more affordable procedures, shorter wait times and the latest advancements in medical care.

"Cross-border commerce and money movement is complex but as the world becomes more global, it's essential that we remove the barriers that exist in traditional channels," said Massaro. "As we do, the volume of cross-border money movement will grow and open up tremendous opportunities for businesses, institutions and consumers around the world."

15. INTERAC DEBIT CARD FRAUD LOSSES PLUMMET FOR THE SIXTH CONSECUTIVE YEAR
Source: Interac (02/25)

Fraud numbers released today by Interac Association ("Interac") show that Interac Debit losses, due to skimming, have continued a six year drop setting a new record low of $11.8 million in total losses to financial institutions in 2015. This reflects a 27 percent decrease from the previous year, when fraud losses amounted to $16.2 million in 2014. In the rare occurrence of fraud, consumers are fully protected through the Interac Zero Liability Policy. Fraud exploitation occurring in Canada accounted for only $2 million, or 17 percent of total losses – a drop of 40 percent from the $3.4 million of domestic fraud reported last year. The number of cardholders that were reimbursed has also been drastically cut to 25,000 Interac Debit cards, from a high of 239,000 in 2009.

"With only $2 million of fraud losses occurring within Canada, we are having tremendous success locking down the Canadian payments space and preventing criminals from committing Interac debit card fraud," said Mark Sullivan, Head, Fraud Market Management, Interac Association/Acxsys Corporation. "Our world-class policies and technologies set the standard for debit card security and send a clear message to criminals: we will not tolerate fraud on the Interac network." "Based on the Interac debit card fraud losses that occurred in 2015, the vast majority – $9.8 million – stemmed from exploitation at magnetic stripe devices outside of Canada on other network systems, not on the Interac Network," said Sullivan. While the number of Interac Debit and Interac Flash cards in market is growing, fraud is continually shrinking. Of all the active debit cards last year, only

0.09 percent of cardholders were affected by fraud. In 2015, more than $347 billion flowed through the Interac network across 5.91 billion transactions. When you compare the fraud numbers, 0.003 percent of total transaction amount was fraudulent with only 0.0005 percent occurring inside Canada.

"As leaders in fraud prevention and detection, Canadians should feel exceptionally confident using Interac products and services," said Sullivan. "As our data shows, Interac Debit and Interac Flash are among the safest ways to pay using a payment card."

Interac is a member of ACT Canada, please visit www.interac.ca.

16. MONERIS THE FIRST NORTH AMERICAN PROCESSOR TO BE ABLE TO SELF-CERTIFY EMV SOLUTIONS FOR FIVE MAJOR CARD BRANDS
Source: Moneris (02/24)

Moneris Solutions Corporation ("Moneris") announced it has been accredited to self-certify EMV-chip and PIN, and chip and signature terminals for five major credit card brands. With this authorization, Moneris is the only processor in North America with the ability to perform self-certification for merchants on behalf of American Express, Discover, MasterCard, Visa and Union Pay. Today, businesses making the transition can have their EMV contact- and contactless-enabled solutions certified faster, easier and more affordably. Payment processing self-certification eliminates the need to engage third party service providers that review payment terminal tests and sign-off for these solutions to go to production. As an accredited processor for payment self-certification, Moneris is able to complete these requirements in-house, offering greater control and faster time to market.   "The ability to self-certify our EMV-ready terminals means we can work with our partners to get merchants up and running on the latest payment technology quickly and efficiently. With this authorization we are able to provide an enhanced customer experience for businesses across North America." Chris Lee, President of North American Strategic Partnerships and Emerging Markets at Moneris.

The U.S. experiences $8.5 billion in annual fraudulent transactions; however, with the migration to EMV, 92 percent of professionals believe that these chip-enabled cards will be effective in reducing point-of-sale (POS) fraud. Moneris has helped more than 95 percent of its merchant base in Canada become EMV-enabled and is equipped with the necessary resources to support chip-cards in the U.S. today. Recently, Moneris worked with Amber Systems Technologies, a leading developer of POS software for the restaurant, specialty retail, grocery and other industries, to integrate EMV chip-card acceptance into their POS restaurant management software. As a result, businesses signing up for business solutions like Vigore POS that are integrated with Moneris payments, will be ready to start processing EMV transactions faster.

"As a valued partner in payments, Moneris consistently offers innovative EMV solutions in line with industry security requirements. We are pleased that Moneris is the first North American processor to be accredited for payment processing self-certification with five major card brands and are confident in their ability to support the continued transition to EMV devices in the U.S. market." Suzanne Chen, Chief Financial Officer at Amber Systems Technologies.

American Express, Discover, MasterCard, Moneris, Visa and Union Pay are members of ACT Canada, please visit www.americanexpress.ca, www.discover.com, www.mastercard.ca, www.moneris.com, www.visa.ca and www.unionpay.com.

17. INFINEON PROVIDES TURNKEY MOBILE SECURITY SOLUTIONS WITH OPTIGA MOBILE
Source: Infineon (02/19)

Mobile security is poised for growth as global mobile data traffic from smartphones is expected to increase ten-fold between 2014 and 2020. To provide the market with turnkey mobile security solutions, Infineon Technologies AG introduced OPTIGA Mobile. The new brand extends Infineon's OPTIGA range of embedded security solutions with dedicated services around mobile security. OPTIGA Mobile helps mobile device manufacturers and OS providers to improve the security of their products while reducing investment in security critical production equipment and processes. "With OPTIGA Mobile, we provide all building blocks for implementing a hardware-based Root of Trust in mobile devices", said Juergen Spaenkuch, head of platform security at Infineon. "Our customers can now seamlessly integrate our chips into existing production and logistic lines. This gives them a competitive advantage and helps to maximize mobile security to the benefit of end users."

Embedding security controllers into mobile devices is a challenging task: device manufacturers and OS providers face a broad range of security-critical processes as well as special logistic requirements for packaging and transport. With its OPTIGA Mobile offering, Infineon delivers customized turnkey security solutions and services directly to the customers' production site. All security relevant production steps are handled within Infineon's certified and secured manufacturing premises. OPTIGA Mobile services include among others:
- In-house generation and injection of keys (symmetric and asymmetric) and (CA-signed) public/private certificates
- Pre-loading of customer provided static and dynamic data
- Chip-individual code and data
- Customer-specific marking and labelling on packages
- Direct shipments to handset manufacturers or customer manufacturing sites

18. WITH INGENICO'S IWE280 POS CASH REGISTER, DOMINO'S PIZZA TURKEY TRACKS ORDERS VIA SATELLITE
Source: Ingenico (02/24)

Ingenico Group has developed a customized application in collaboration with Domino's Pizza, the Turkey's largest and fastest-growing home delivery chain. This new application streamlines and facilitates use of Domino's Turkey's order system. Thanks to the integrated GPS feature of the iWE280 cash register terminal, Domino's Pizza can now roll out all 1,350 of its iWE280 units, including 100 located at Domino's franchise restaurants, to track orders online. Ingenico Group has launched this important collaboration with Domino's Pizza Turkey by jointly developing this customized integration solution. It enables detailed tracking of the entire order process, from the time an order leaves the doors of a Domino's Pizza restaurant until it reaches the customer. In addition, the newly developed system provides a wide spectrum of support for Domino's other business processes, including selection of suitable locations for new restaurants and efficient use of delivery motorbikes.

Alpay Sidal, the Managing Director of Ingenico Turkey and Middle East, expressed his tremendous satisfaction with the Domino's Pizza collaboration. "Ingenico Group is the leader in payment solutions around the world," said Sidal. "We also perform important R&D work in Turkey. With Pavo, our business partner, we have come to thoroughly understand Domino's expectations and have jointly developed a customized integration solution. This new solution enables the tracking of orders through the use of GPS modules, a standard feature of our iWE280 POS cash register devices. We believe that this application will significantly improve Domino's productivity." Noting that Ingenico can customize any integration system to the requirements and expectations of certain companies, Sidal added, "We don't want to simply be a cash register vendor for our customers. We aim to provide them with solutions that create true added value. Domino's Pizza is a good example of how we can achieve this aim."

Boran Uzun, Domino's Pizza's Supply Chain, Purchasing and Investments Director, noted that the online sales channel accounts for sales of approximately one million pizzas per year. "At Domino's, we are making significant investments both in new products and IT," said Uzun. "Our Innovation Center is extremely important to us. Here, we develop, produce, market and put new products up for sale on the online channel. We like to consider the whole process as a production line, and we perform all processes involving our products at our Innovation Center. The integration solution that we have built with Ingenico has brought this process to its conclusion." Uzun also explained that they initiated the project because they needed to improve operational efficiency. He described why Domino's Pizza chose

to collaborate with Ingenico and how Ingenico's solution successfully met all their requirements. "Ingenico's terminals comply with all our technical requirements," he said. "They are new generation, they come with integrated GPS features…They also became our preferred choice because of their ease-of-use, efficient form and ergonomic design. In addition, the low failure rate of Ingenico's devices and Ingenico's swift maintenance and repair services positively impacted our decision."

Uzun indicated that Ingenico is a key Domino's Pizza's IT investment partner. He stated that, to date, Domino's Pizza has purchased a total of 1,350 Ingenico devices, 100 of which are used at franchise restaurants. "Previously, the delivery motorcyclist had to enter the total amount to be paid into the device at the point of delivery," said Uzun, describing the company's need for a new system. "That older system was prone to data entry errors and other problems. Now, the delivery motorcyclist only need to enter the order number at the point of delivery, and the system immediately displays both the total amount to be paid and an itemized list of the order. The receipt can be easily printed, whether the customer pays by cash or credit card. Another major benefit is that the delivery motorcyclist can now designate the address as 'Home' or 'Business' when filling out a follow-up survey and this data is instantly sent to the system. Such data segmentation helps improve CRM. This application can be used for all kinds of orders, including those received by the call center. Furthermore, iWE280 has a higher quality build than devices by other brands, which ensures fewer failures and smoother operation. The system processes and enriches the data collected by the delivery motorcyclists every night and then transfers it to the data warehouse, where it can be used to further improve our CRM system. To date, we have collected data from approximately 150,000 customer locations. In other words, we now have data from 150,000 locations, indicating whether an address is a home or business, which kind of pizza each customer consumes most frequently or order delivery time to each address. The number of customer locations from which we have collected data will gradually increase. Under no circumstances will such data be connected to, or used in connection with, a customer's personal information or identity."

Ingenico is a member of ACT Canada; please visit www.ingenico.com.

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19. EC LAUNCHES ONLINE DISPUTE RESOLUTION FOR E-COMMERCE MERCHANTS, CONSUMERS
Source: CardNotPresent.com (02/22)

In Europe, where consumers use payment cards much less for e-commerce transactions, resolving disputes between merchants and buyers often was left to the courts. But a new system announced in January and launched last week by the European Commission aims to streamline the process, enabling the parties to come to an agreement online. The new Online Dispute Resolution (ODR) platform connects consumers and merchants in various EU member states who have complaints about a transaction with alternative dispute resolution bodies in the

appropriate countries. "One in three consumers experienced a problem when buying online in the past year," said Vera Jourova, commissioner for justice, consumers and gender equality. "But a quarter of these consumers did not complain—mainly because they thought the procedure was too long or they were unlikely to get a solution. The new online platform will save time and money for consumers and traders. I am confident the platform will be widely used to solve consumer grievances." For merchants, the EC said it expects the ODR to simplify the dispute process in cross-border situations and save them money on court costs.

20. GIESECKE & DEVRIENT FIRST PROVIDER TO BE CERTIFIED FOR MIFARE DESFIRE EV1
Source: Giesecke & Devrient (02/19)

Giesecke & Devrient (G&D) has been certified by NXP Semiconductors for MIFARE DESFire EV1. This certification completes the product certification for MIFARE Classic and MIFARE4Mobile Version 2 which G&D received in 2015. G&D's SIM platform SkySIM CX Hercules now offers the entire MIFARE suite, thus enabling secure remote provisioning and management of MIFARE-based services for mobile network operators, trusted services managers and service providers. The G&D MIFARE portfolio is available in both SIM and eSE form factor for NFC enabled smart phones and other NFC enabled devices like wearables or tablets. "By adding the MIFARE DESFire EV1 to the suite, we are able to commercially offer a complete MIFARE4Mobile solution. With this range of MIFARE products, G&D is providing the latest in NFC technology", stated Bernd Muller, Group Vice President and Head of Product Management in the Division Telecommunication Industries at G&D "MIFARE DESFire is on the high end of the MIFARE range and offers advanced contactless features such as access control or transit functions with even higher security."

With the certification for MIFARE DESFire EV1 it is now possible to integrate all MIFARE services into one solution. Muller: "In order to maximize user convenience it has always been our goal to integrate as many features in one SIM or eSE product as possible. Naturally, this requires bringing all technologies and platforms necessary to perform the applications in one solution." The integration of MIFARE into mobile NFC is done by the interoperable MIFARE4Mobile technology. By utilizing its Over-the-Air (OTA) capability, user can request updates or cancel and also manage the lifecycle of their MIFARE services. "With its MIFARE DESFire EV1 and MIFARE4Mobile certifications, G&D guarantees both the security and the interoperability of its MIFARE solution with other providers. Both are indispensable for a successful user experience," explained Muller.

MIFARE runs on the SkySIM CX Hercules from G&D, which is based on a powerful operating system and offers enough storage capacity for several applications to run simultaneously at high speed. Since it supports the contactless

technologies such as MIFARE (Classic, DESFire EV1) and Calypso, users benefit from a highly secure SIM or eSE when using their devices as an electronic ticket, for example in public transport or at events of any kind, or for identifying themselves when passing through physical access control systems.

"The number of cities adopting mobile ticketing is steadily growing. G&D's SIM platform SkySIM CX Hercules, which can be available across various form factors, enables cities around the world that are currently using MIFARE DESFire EV1 to easily include a mobile solution without any changes to the infrastructure," said Ulrich Huewels, general manager of the smart identification solutions business line at NXP Semiconductors. "Additionally, customers can now use their NFC enabled mobile phones to quickly 'top up' their MIFARE based transport tickets without queueing, saving them precious time in an ever faster moving world."

Giesecke & Devrient (G&D) and NXP Semiconductors are member of ACT Canada; please visit www.gi-de.com and www.nxp.com.

21. REPORT: WHILE MEDIA FOCUSES ON APPLE PAY AND ANDROID PAY, ALIPAY AND PAYPAL ARE WINNING MOBILE PAYMENTS
Source: CardNotPresent.com (02/04)

While Apple Pay, Samsung Pay and Android Pay have garnered most of the media coverage of "mobile payments," the three mobile wallets—mainly devoted to in-store transactions—account for a relatively small portion of overall mobile transactions, according to a new report. London-based research firm Timetric points to remote mobile payment solutions from Alipay, Tenpay and PayPal as the most dominant forces in mobile payments from a global perspective. The adoption of remote mobile payments has been accelerated by the emergence of one-touch checkout from companies like Amazon, PayPal and Visa (and its Visa Checkout) alongside the rise of mobile-first companies in the sharing economy like Uber and Airbnb, the report said.

"Going forward, mobile payment solutions that manage to provide modularity, interoperability across platforms and backing for multiple smart device manufacturers will most likely grow their market shares," said Vladimir Vukicevic, lead analyst at Timetric's Cards & Payments Intelligence Centre. Apple and Google are well-positioned to become the leaders in in-store mobile payments, but Vukicevic expects PayPal and Alipay to compete in this space as well.

22. CUP AND VISA SIGN MOU TO COLLABORATE ON PAYMENTS
SECURITY, INNOVATION AND FINANCIAL INCLUSION
Source: China UnionPay (02/25)

China UnionPay (CUP) and Visa Inc. signed a Memorandum of Understanding (MOU) in Shanghai with both parties agreeing to collaborate on payments security, innovation and financial inclusion. The MOU was signed between Shi Wenchao, President of CUP, and Charlie Scharf, Chief Executive Officer of Visa Inc. The MOU provides an important platform for CUP and Visa Inc, two world-leading payments networks, to work together on the basis of meeting regulatory requirements to strengthen and create new value for the bank card ecosystem benefiting consumers, merchants, financial institutions, and technology partners. Key areas of cooperation under the MOU are payments security, innovation and financial inclusion.

Shi Wenchao, President of CUP, said, "The MOU signing is the result of joint efforts by CUP and Visa, representing a new start to our win-win cooperation. As open payment networks, both companies follow the same business model, share the common interest of maintaining their brand rights and promote the core concept of open cooperation. The joint cooperation will have an important influence on the healthy development of the global payments industry, providing cardholders with more convenient, secure and highly efficient payment services. "CUP stays committed to the philosophy of openness and win-win cooperation," said President Shi. "CUP is keen to actively cooperate with relevant parties to innovate and promote the orderly long-term development of the global payments industry, fully respecting the regulatory regime and industry consensus to underpin those efforts."

Charlie Scharf, CEO of Visa Inc. said, "Visa is delighted to have concluded this MOU with CUP. This is a unique collaboration between two leading industry players to address major challenges facing the payments industry and to champion the idea of win-win cooperation embodied in open payment networks. We are excited to be working together on innovation as digital payments transform commerce, resulting in safer, faster and more convenient ways for consumers to pay. Innovation will also play an important role in our joint efforts to expand access to financial services for the underserved. The global payments industry will benefit from these efforts," said Mr Scharf.

China UnionPay and Visa are members of ACT Canada; please visit
www.unionpay.com and www.visa.ca.

23. GEMALTO, FINGERPRINT CARDS, PRECISE BIOMETRICS AND STMICROELECTRONICS TO DEMONSTRATE WORLD'S FIRST END-TO-END SECURITY ARCHITECTURE FOR FINGERPRINT AUTHENTICATION IN WEARABLE AND CONSUMER ELECTRONICS
Source: Gemalto (02/22)

Gemalto, Fingerprint Cards, Precise Biometrics and STMicroelectronics introduce the first end-to-end security architecture for biometric fingerprint authentication at Mobile World Congress 2016, offering OEMsthe opportunity to easily deploy this consumer-friendly feature in the latest generation of wearable and consumer electronics devices. This new proof-of-concept replaces conventional username/password authentication for applications such as payment, eticketing, digital access and 2-factor strong authentication with swift and secure fingerprint recognition. The joint effort will demonstrate this ground-breaking solution on a smartwatch that embeds a fingerprint sensor from Fingerprint Cards, fingerprint software from Precise Biometrics and Secure NFC solution and low power microcontrollers from STMicroelectronics.

Gemalto provides the UpTeq eSE on which the user's credentials are stored, and the Match-On-Card application that validates the fingerprint placed on the sensor corresponds to the biometric data of the user. Gemalto also supplies a rich array of secure applications, and the Allynis Trusted Services Hub (TSH) responsible for managing the solution over the entire product lifecycle. Fingerprint Cards delivers state of the art touch fingerprint sensors with extreme low power consumption and compact form factor. Precise Biometrics provides fingerprint software based on Precise BioMatch Embedded, an industry leading algorithm solution that offers convenient and secure fingerprint recognition for products with small fingerprint sensors on limited platforms, such as smart cards, wearables, cars, locks and personal identification tokens.

STMicroelectronics provides its ST54 system-in-package solution, composed of an ST21NFC near-field communication (NFC) controller and an ST33 embedded Secure Element based on 32-bit ARM SecurCore SC300, hosting the Gemalto Biometrics Match-On-Card. ST also provides an STM32 ARM Cortex-M based low-power microcontroller managing the application. For end users, the new architecture spells an end to the complexity of having to remember numerous username and password combinations to access essential applications such as payment, secure email and government ID programs. This solution will offer new opportunities to the consumer electronics market to implement secure authentication solutions based on FIDO Alliance's specification, and give consumer electronics manufacturers the option to differentiate from competition. By easing the user journey without compromising security, biometric fingerprint authentication represents a real game-changer for the world of secure mobile connectivity, payment, eCitizen services and more.

Gemalto is a member of ACT Canada; please visit *www.gemalto.com*.

24. HCE SERVICE LICENSES INSIDE SECURE'S AWARD-WINNING MATRIXHCE AND MATRIXSSE MOBILE SECURITY SOFTWARE
Source: INSIDE Secure (02/09)

INSIDE Secure announced that HCE Service Ltd, UK and HCE Secure IT Services (Pvt) Ltd, India will leverage INSIDE Secure's technology in conjunction with their SWIM (Software Wireless Identity Module), a Wireless Public Key Infrastructure (WPKI) based secure mobile payments platform offering a new product for banks seeking solutions to offer HCE cloud-based payments for leading payment schemes. INSIDE Secure boasts the industry's easiest to deploy HCE payment software on the market, by utilizing a unique combination of technologies, and is now being leveraged by innovative companies like HCE Service to bring highly secure, multi-scheme compliant & ready to use HCE solutions to the market quickly.

"We are thrilled to be leveraging INSIDE Secure's proven technology and expertise in delivering HCE payment technology to support HCE Service's SWIM mobile payments platform" said Dr Chandra Patni, CEO of HCE Service. "The combination of INSIDE Secure's knowledge of payment and advanced software security with HCE Service's unique SWIM WPKI architecture brings a new standard to the HCE payment market." HCE Service has brought its Wireless Public Key Infrastructure (PKI) technology to deliver a dual token-based, end-to-end HCE tokenization and authorization cloud service.

Software Wireless Identity Module (SWIM) uses INSIDE Secure's white box Matrix SSE software development kit (SDK) to enable a mobile device to use Wireless PKI cryptographics, and allows Authentication, Confidentiality and Digital Signing via separate key pairs. SWIM mobile apps are capable of performing two main functions: digital signing for non-repudiation and user and device authentication. SWIM apps provide PKI security, run on Android and other smartphones, and are managed on end consumer mobile devices via a unique SaaS (Software as a Service) hosted managed service by HCEservice.com. These apps provide WPKI secured EMV card tokenization and associated EMV NFC mobile payment processing based on Visa and MasterCard HCE, host card emulation standards.

Although Google adopted HCE in 2013, payment apps based on this model were seen as vulnerable to attack because this new payment innovation allowed secure data to be stored in a software application. INSIDE Secure has brought together the necessary technologies and expertise to provide commercial security tools for application security and critical customer data protection. When licensed by companies like HCE Service, INSIDE Secure's MatrixHCE gives issuers and banks greater flexibility in deployment by leveraging cloud and software technology to work with all potential players for secure mobile payments using Near Field Communication (NFC) and other technologies.

Benefits of INSIDE Secure's comprehensive HCE payment solution include:
- Faster to market
- Ready to deploy
- Lower risk to customer brand due to high levels of security
- Pre-tested and pre-certified
- Support for multiple payment networks

As an industry first, INSIDE Secure's MatrixHCE product implements Dynamic White-box Cryptography (WBC), a new advance on legacy techniques against attacks on white-box environments. INSIDE's WBC technology leapfrogs competition by automating white-box customization, and enables lifecycle and dynamic key management functionality. "With a full range of embedded security solutions and unmatched expertise, INSIDE Secure is uniquely positioned to help card schemes, issuers and app developers secure their business models, even when using newer software-based secure element solutions," said Amedeo D'Angelo, President and Chief Executive Officer of INSIDE Secure. "It's satisfying to see real-world deployments of highly secure HCE payments beginning to roll out, knowing this is just a starting point for the broader adoption of secure mobile payments."

INSIDE Secure is a member of ACT Canada; please visit www.insidesecure.com.

25. VISA BECOMES A TECHNOLOGY PLATFORM COMPANY WITH NEW OPEN MODEL
Source: ITBusiness.ca (02/04)

Visa Inc. launched Visa Developer signalling a shift to a new model of doing business on an open platform and making a series of new technology services and capabilities available to its existing partners and new ones alike. While the owner of the world's largest payments processing network in VisaNet isn't opening up access to its core backbone, it is releasing 155 APIs previously only available to its internal developers. Services such as account holder identification, person-to-person payments, mobile locaters, a checkout system for mobile apps, and more will be made available as REST architecture APIs with a PHP interface. Visa is doing this now because the consumer buying experience is changing, said Charlie Scharf, CEO of Visa. "Today the buying universe is huge with a massive amount of options," he said. "We have the richest set of payments capabilities in the world and today's announcement is about releasing those capabilities to our partners."

Visa has more than 2.6 billion credit and debit cards in the market and processed $7 billion on its network in 2015. By opening up its technology to developers with no charge, it hopes to see the volume of transactions continue to grow. Visa executives and a few early partners in its platform spoke about the program at Visa's San Francisco headquarters. "We hope to become the preferred platform for payments," says Mark Jamison, senior vice-president of global new

product at Visa. "We believe this is a new, good market strategy. We have a monthly release schedule and we'll be adding more and more APIs as time goes on."

Canada is expected to be one of the top user markets for Visa Developer, Jamison says. The card issuer is in talks with several Canadian banks on a trial basis, including TD Bank, Scotiabank, and RBC. Canada currently accounts for about four per cent of Visa's payments volume. TD has been developing a few use cases with Visa's new APIs as part of a pilot test, says Vipul Lalka, associate vice-president and head of North American mobile banking at TD Bank Group. It hasn't planned to release them to a live app yet, but Visa's new capabilities could allow TD Visa cardholders to restrict where their credit card can be used based on geographic location, or to set a spending limit on their cards.

"For early adopters, you typically have to set up your own sandbox to test out these ideas," Lalka said. "Visa has actually provided the sandbox for these APIs, and said here go have your developers plug into the system and test these out." Developers can make use of Visa's sandbox environment and a set of test data to work on their apps. When they want to publish the apps and go live, they need to apply for approval from Visa's team – similar to how Apple developers must receive a blessing from Silicon Valley before hitting the App Store.

Visa Developer is about creating the potential for Visa to reach the billions of Internet-connected devices that could be a potential payments interface, says Derek Colfer, head of technology and innovation at Visa Canada. Visa is "100 per cent a technology company now," Colfer says. "What you're seeing is the expansion of the network. We're expanding beyond payments – we're doing value-added services."

RBC, Scotiabank, TD Bank and Visa are members of ACT Canada; please visit *www.rbc.com, www.scotiabank.ca, www.td.com and www.visa.ca.*

26. VODAFONE HUNGARY INKS INGENICO GROUP MPOS MOBILE PAYMENT SOLUTION TO BUILD READYPAY
Source: Ingenico (02/22)

Ingenico Group announced that Vodafone Hungary has selected its comprehensive fully managed mobile payment solution to provide micro and small merchants with its brand new ReadyPay all-inclusive offer. The service proposed by Vodafone Hungary is built on the combination of Ingenico Group mPOS managed services and OTP Bank merchant acquiring services offer. The market potential for ReadyPay is several thousands in the next couple of years in the SOHO and SME segments. The deployment of the ReadyPay mPOS solution fits perfectly with Vodafone continuous innovation and customer value creation strategy. With this new offer, the objective of Vodafone is to provide its SOHO and

SME clients with a tailor-made all-in-one cashless payment acceptance solution which simplifies the everyday businesses of the merchants; offering a powerful alternative to cash payment, which contributes to improving their business performances by removing the complexity of cash handling and last but not least helping them with convenient, fast and secure purchase experience for their own client.

"We are very pleased with Vodafone Hungary trust in our expertise to build its innovative mPOS solution ReadyPay. This success illustrates Ingenico Group's ability to answer to key customers' bespoke payment solutions to offer new value propositions to their own clients," said Francois Voyron, Managing Director Eastern Europe, Ingenico Group. "In this case, we joined forces with OTP Bank, the largest acquirer in Hungary, to build a solution fully fitting with Vodafone requirement to empower their SME with enhanced consumer purchasing experience by providing them a secure, seamless and fast mobile card payment acceptance." Vodafone ReadyPay is the first mobile bank card acceptance (mPOS) service on the Hungarian Market open to all businesses. In addition to the device that is very easy to carry around due to its size, mobile communication and the app-based payment process management solution allow for very versatile usage. "The pocket-size secure Ingenico mPOS solution meets perfectly both technical and business requirements of ReadyPay," explained Istvan Kiraly, Director of the Enterprise Business Unit. He believes that the latest bank card acceptance technology, coupled with mobile telecommunications, facilitates safe cashless payments for small and medium-size businesses at low up-front investment cost.

Ingenico is a member of ACT Canada; please visit www.ingenico.com.

27. GIESECKE & DEVRIENT WORKS WITH MASTERCARD ON SECURE MOBILE PAYMENTS
Source: Mobile Payments Today (02/25)

MasterCard and Giesecke & Devrient announced a partnership that will combine the MasterCard Digital Enablement Service with G&D's Convego CloudPay product, enabling issuers to work directly with G&D to implement industry-standard tokenization technology for their issuer HCE wallets. This provides consumers with access to digital payments provided directly by their card issuers, according to a press release. G&D said it has become the first third-party company to offer MasterCard's tokenization services to issuing banks. "We have pioneered mobile commerce innovations for years. Alongside G&D, we're delivering a simple and secure digital payment experience that takes advantage of industry-standard tokenization technology," said Sherri Haymond, senior vice president of digital payments and labs at MasterCard.

Through its Convego CloudPay product with an interface to MasterCard's service, G&D said it works with issuers to deliver a mobile payment experience

that will work at contactless-enabled point-of-sale terminals. This is done by providing the provisioning process of payment credentials to the mobile device and subsequent life-cycle management services. MasterCard cardholders will then be able to use their credit, debit and select prepaid and small business cards for convenient and safe in-store payments.

Giesecke & Devrient and MasterCard are members of ACT Canada; please visit *www.gi-de.com* *and* *www.mastercard.ca*.

28. OT TEAMS UP WITH GOOGLE FOR ANDROID PAY, STARTING IN AUSTRALIA
Source: Oberthur (02/18)

Oberthur Technologies (OT) announced its support to the international go-to-market of Android Pay with a first launch in Australia scheduled for 2016. Android Pay will allow end-users to make contactless payments with all NFC-enabled Android devices (running KitKat 4.4+). With its Digital Enablement Platform, OT will support Financial Institutions in offering their customers this new service by enrolling their payment cards into Android Pay. OT's Digital Enablement Platform is a comprehensive solution which supports enrollment, mobile provisioning and token lifecycle management in digital wallets, irrespective of the underlying technologies and related security, either hardware or software-based secure elements.

Together, OT and Android Pay will offer Financial Institutions a one-stop-shop platform to enable and operate the service. "Mobile payments is a big priority for Google and we're working to support a wide range of issuers to make Android Pay available to everyone," says Pali Bhat, Senior Director, Product Management, Google, "OT's integration takes us one step further in this direction". "We are very proud to work with Google on the deployment of Android Pay, in particular in Australia which is one of the most advanced contactless markets and therefore of strategic importance for OT's digital payments activities. We are convinced that our technology assets and international experience in the field of digital security and mobile issuance will help accelerate the availability of Android Pay to end-users." said Marek Juda, Managing Director of OT's Connected Device Makers business.

Oberthur Technologies is a member of ACT Canada; please visit *www.oberthur.com*.

29. VISA EUROPE EXPANDS TOKENIZATION SERVICE
Source: PYMNTS.com (02/17)

Visa Europe said that it has expanded its tokenization service to enable customers in the financial services industry to bring tokenization to transactions where payments information is stored in the cloud, including mobile apps. The company also said that the tokenization push extends to hardware, such as wearable devices, and to eWallets and Visa Checkout. As Visa Europe noted in a release detailing the expansion, tokenization gathers greater reach in tandem with the fact that card-on-file payments are becoming increasingly common across retailers and merchants through a variety of industries. Users also have the ability to link their cards to digital payment services and can keep their details secure across mediums such as paying in person or online. The initiative also allows merchants to increase their digital offerings.

In a statement provided by Sandra Alzetta, executive director of product enablement for Visa Europe: "People throughout Europe are encountering innovative new technologies that offer fast and frictionless ways to pay wherever, whenever and on whatever device they choose. By 2020, our projections are for one in five consumers to pay for items using their smartphone on a daily basis and for payments on mobile or tablet to account for more than 50 percent of Visa transactions. Looking at contactless as an early indicator, where adoption has doubled and spend has trebled in the last year, we believe this projection could well be a conservative estimate."

Through tokenization technology, sensitive information is stored on a device by effectively making it worthless, as the underlying details are not exposed, with tokens provided through the transaction rather than those details. A series of numbers stand in for the actual account information, and, as has been noted by Visa and elsewhere, several tokens can be stored on a single card.

Visa is a member of ACT Canada; please visit www.visa.ca.

30. MTN NIGERIA SELECTS GEMALTO FOR FIRST COMMERCIAL ROLLOUT OF GSMA MOBILE CONNECT AUTHENTICATION SERVICE
Source: Gemalto (02/10)

Gemalto has been selected to provide its LinqUs Mobile ID platform to MTN Nigeria. This new project, operated for MTN in SaaS mode by Gemalto Allynis Services, marks the first commercial rollout of SIM based services delivering convenient mobile authentication for all mobile users. Compliant with the latest GSMA standards, Mobile Connect, 'MTN Token' is available immediately to MTN Nigeria's 70 million subscribers and positions the operator as the country's foremost provider of secure digital identification and authentication.

MTN Token offers their users a universal digital ID combined with a mobile-based second factor authentication, for easy and secure web service access, payments and financial transactions validation. When using MTN Token for eCommerce, banking, insurance, ePublic and corporate networks services, the user's mobile phone number is employed as the username. Depending on the level of protection required by the service provider, the process is completed by simply pressing OK on the handset, or entering a unique user-selected PIN code. Any service provider in Nigeria can now easily adopt MTN Token services to dramatically strengthen protection of online services against identity theft and cybercrime. It also enables the operator to offer a convenient digital journey to its customers, removing complex registration and log-in processes, while sparing them the hassle of remembering new username/password combinations.

MTN Token leverages the secure SIM vault, creating a trusted environment for sensitive data and transactions, without the initial infrastructure investment required by in-house implementations. "With the launch of MTN Token, we are the first private provider of secure online identity and positioned as a warrant of digital ID and authentication in Nigeria," said A'isha Umar Mumuni, General Manager, Products & Innovation at MTN Nigeria. "As our network of service providers adopting MTN Token grows, the solution will deliver significant reductions in fraud whilst easing the frustration often experienced by consumers on their digital journeys."

"The long-established partnership between MTN Nigeria and Gemalto is the perfect foundation for this ground-breaking project," said Eric Claudel, President for Middle East & Africa at Gemalto. "Bridging the gap between security and convenience, Mobile Connect represents the future of user authentication. It also fully supports operators in monetizing new value added services"

Gemalto is a member of ACT Canada; please visit www.gemalto.com.

31. VISA PUTS CONSUMERS IN CHARGE OF SECURITY
Source: Visa (02/09)

Visa Inc. is introducing a new service to help Visa issuers empower consumers to monitor and control how, where, and when their Visa credit, debit, and prepaid accounts can be used. With real-time visibility and control over their accounts, consumers can take immediate action to protect themselves from security threats and fraud. Visa Consumer Transaction Controls, which is available to Visa card-issuing financial institutions, enables account holders to set simple, convenient, and effective spending controls, receive transaction alerts, or even temporarily suspend their accounts using a simple on/off feature.

"By putting the account holder in charge, Visa card issuers can provide their consumers peace of mind through innovative spending controls, and more

effective fraud prevention," said Mark Nelsen, senior vice president of Risk Products and Business Intelligence, Visa Inc. "With new digital commerce experiences emerging daily, it's important that we provide easy and convenient ways for consumers to direct and monitor how their accounts are used and help better secure the payment system."

Visa issuers will be able to offer consumers a variety of transaction controls that are easily customized to meet their specific needs. For example, spending controls can be applied to different transaction types, date ranges, or overall card spending to offer consumers visibility and control over their money. Alerts can be sent by text, mobile app, or email in when transactions take place. While actual fraud in the Visa system is low, about 6 cents out of $100 transacted, Visa data shows that consumers who receive Visa transaction alerts experience 40 percent less fraud than account holders who do not.

How It Works

Financial institutions who adopt Visa Consumer Transaction Controls will be able to offer the service through their mobile banking application, mobile wallet, or website. Issuers can choose the features to provide to their consumers including:
- Temporarily stop transaction approvals - At the touch of a button, the account holder can easily turn card authorizations on and off and take immediate action should their card become misplaced, lost, or stolen.
- Manage specific transaction types - Consumers can block or request alerts for selected activity including purchases in store, online, or internationally, as well as ATM withdrawals.
- Set spending limits - Account holders can limit transaction size, set spending limits over a period of time, or receive spending alerts based on transaction amount.
- Manage multiple cards - Families or businesses can define individual controls or alerts for primary cards as well as companion cards that are given to family members or employees providing more real-time control and visibility into spending. For example, a parent can share a Visa account with a child by providing a companion card with spending limits and transaction alerts that are sent to the parent's mobile device.

Participating financial institutions can integrate transaction controls into their mobile banking applications using an application programming interface (API), which helps streamline integration into existing bank systems. Visa APIs are available through the company's recently launched Visa Developer platform, which enables financial institutions and partners to easily access Visa's payment technologies, products and services. Visa Developer is designed to accelerate digital commerce globally and to reduce the development time for new, secure commerce applications, allowing developers to start creating in days rather than months.

Visa Consumer Transaction Control is designed to complement Visa's other innovative security tools – including predictive analytics, EMV chip technology, biometric authentication, threat intelligence, and mobile location information. Taken together, these multiple layers of defense are designed to prevent, detect, and resolve unauthorized use of account information and to enhance the security of the entire payments ecosystem. Consumers also continue to be protected against fraudulent transactions with Visa's Zero Liability policy.

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32. APRIVA RELEASES EMV AVAILABILITY FOR INGENICO TERMINAL LINE
Source: Apriva (02/09)

Apriva announced it has completed EMV certification with Global Payments for Ingenico's Telium2 terminals connecting through the Apriva Gateway. This full-featured certification includes the wireless iWL220 and iWL250, as well as the iCT220 and iCT250 countertop models. The certification spans all major card brands, including Visa, MasterCard, American Express, Discover and U.S. Debit cards, and includes contactless transactions from Visa, MasterCard and American Express. This certification brings a wide range of payment options to merchants using these popular Ingenico terminals.

Ingenico's wireless iWL220 and iWL250 terminals provide merchants with convenient portable devices that can go where the merchant needs them. The iCT220 and iCT250 are countertop models that can be configured to operate in either of two modes. First, it can operate as a traditional "stand-alone" payment terminal. Second, it can function as the payment device in a "semi-integrated" merchant POS solution, when combined with a tablet or other POS solution through Apriva's Integration Services. Whatever the use case, these terminals maximize efficiency and are easy to use. They accept all popular forms of electronic payment, including mobile NFC and contactless cards, EMV chip cards, and magnetic stripe cards.

"Obtaining EMV certifications on the Apriva Gateway is crucial in order to bring the latest compliance technologies to our resellers' merchants," said Stacey Finley Tappin, senior vice president of North American Sales and Marketing Communications at Apriva. "Releasing EMV functionality on these various Ingenico devices on Global Payments is an essential step in our EMV migration process. We are working diligently to release all major terminal lines on our many processor connections."

Apriva and Ingenico are members of ACT Canada; please visit www.apriva.com and www.ingenico.com.

33. NXP AND XIAOMI ANNOUNCE MOBILE PAYMENT PARTNERSHIP
Source: NXP Semiconductors (02/24)

NXP Semiconductors N.V. and Xiaomi announced a new milestone in their journey for mobile payments in public transit systems. As a key part of this collaboration, Xiaomi introduced its next-generation flagship Mi 5 equipped with NXP's Secure Element and Near Field Communication (NFC) solution, which will help accelerate the adoption of mobile payments in China.

The newly launched Mi5 models will allow customers to use tap-to-pay for travelling, seamlessly enter and exit public transport systems without using a ticket or travel card, and enable simple balance checking all while ensuring payment security. The new payment function is already available in Shanghai and Shenzhen, and NXP and Xiaomi will join efforts to promote roll out of the new application in more cities. It is reported that there are currently 400 million transit cards in circulation in China, and many card holders are expected to transition to more convenient and secure payment solutions, such as mobile payments via smartphones. As a leading technology provider in China's Automatic Fare Collection (AFC) market since its rollout in the 1990s, NXP has been driving the migration from card to mobile. The Mi5 smartphone has adopted NXP's industry-leading NFC and secure element solutions, which are optimally designed to address specific transit use cases and ensure a seamless consumer experience using augmented RF performance and security.

"We're excited to partner with Xiaomi, a true innovator in the mobile and internet space," said Rick Clemmer, NXP Chief Executive Officer. "Given the rapid expansion of China's mobile payment market and our strong collaboration with a world-class partner such as Xiaomi, NXP is well positioned to capture the huge potential of this market. We believe our high security standards and the ease of NFC technology coupled with our Xiaomi collaboration will play a fundamental role in advancing smart living in China."

Mr. Lei Jun, founder, Chairman, and CEO of Xiaomi said, "We're delighted to adopt the most advanced NFC technology in Mi5, which will offer reliable security and performance to support the city transit system with mobile transaction functionality. Both companies, Xiaomi and NXP, share the vision to drive the development of China's smart transit systems whilst simultaneously improving user experience."
China's mobile transaction market has seen robust growth in recent years. According to PBoC statistics, 4.5 billion mobile transactions worth 18 trillion RMB occurred in Q3 2015, an increase from the previous year of 253% and 194% respectively. As China continues to urbanize over the next decade, the market for smart payment technology in urban transit systems is expected to rapidly increase.

NXP Semiconductors is a member of ACT Canada; please visit www.nxp.com.

Since 1989, ACT Canada has been the internationally recognized authority in the market. As the eyes, ears and voice for stakeholders focused on secure payment, mobile, NFC, loyalty, secure identity, and leveraging EMV, we promote knowledge transfer, thought leadership and networking. We help members protect their interests, advance their causes, build their business and grow the market. We take a neutral and non-partisan approach to all issues, facilitating collaboration among issuers, brands, acquirers, merchants, regulators, solution providers, governments and other stakeholders. Over 50% of our members have been with us for more than 5 years, enjoying ongoing value from their affiliation with ACT Canada. Please visit www.actcda.com or contact our office at 1 (905) 426-6360.

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Andrea McMullen
President
ACT Canada
tel: 905 426-6360 ext. 124
fax: 905 619-3275
email: andrea@actcda.com
web: www.actcda.com
mail: 85 Mullen Drive, Ajax, ON, L1T 2B3
http://ca.linkedin.com/in/andreamcmullen

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