



Welcome to the **July** edition of ACT News – Driving Insights. This complimentary service is provided by ACT Canada. Please feel free to forward this to your colleagues.

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ACT Canada Partners

INGENICO - *Payment Acceptance Solution Provider*

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.

New and Renewing Members

Principal Member

Canadian Tire Financial Services ~ member since 2006

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Suncor Energy Products Inc. ~ member since 2010

Associate Member

M. Blair Consulting Inc. ~ member since 2010



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

Mobile Payments Conference

Chicago, IL, USA
August 22nd – 24th, 2018
<https://mobilepaymentconference.com/>
ACT Canada Members receive a 20% discount

Money2020

Las Vegas, NV, USA
October 21-24, 2018
<https://us.money2020.com>
ACT Canada Members receive a US\$250 discount on top of existing discounts

Finovate Fall

New York, NY, USA
September 24th – 27th, 2018
<https://finance.knect365.com/finovatefall/>
ACT Canada Members receive a 20% discount

Customer Expo

Nashville, TN, USA
October 24th – 26th, 2018
<https://customerexpo.loyalty360.org/>
ACT Canada Members receive a 20% discount

Real Time Payments Summit

New York, NY, USA
September 25th, 2018
<https://www.rtpsummit.com/newyork/>
ACT Canada Members receive a 15% discount

TRUSTECH

Cannes, France
November 27th – 29th, 2018
<https://www.trustech-event.com/>
ACT Canada Members receive a €550 discount



Articles

1. AIRMILES, SAMSUNG SIGN LOYALTY REWARDS PARTNERSHIP

Source: Yahoo Finance Canada (07/30)

AirMiles announced a partnership with Samsung Canada. Collectors of the reward program who are also Samsung users can link their AIR MILES Card to the Membership section of the Samsung Pay App and redeem an instant 50 reward miles, in addition to the 5 miles per tap.

“At AIR MILES, we are focused on current market trends and evolving the way our Collectors engage with Partners to get Miles,” said Blair Cameron, President, The AIR MILES Reward Program.

If you are looking forward to tapping away to your heart’s content, you might be disappointed to find out that there’s a 5 time and 25 miles per week limit with this program. This is also a limited time offer that lasts between July 30, 2018, and December 31, 2018.

“With Samsung Pay, Canadians can use their smartphones for a variety of different payments and will always have the card they need.” said Paul Brannen, COO and Executive Vice President of Samsung Electronics Canada. “Samsung Pay enables the Program to accelerate Miles issuance to a growing segment of consumers who are interested in e-wallet transactions.”

The AIR MILES Reward Program currently consists of nearly 11 million active Collector Accounts, representing almost two-thirds of all Canadian households.

A complete list of compatible devices for this program include the Galaxy S9 and S9+, S8 and S8+, S7 and S7 edge, S6, S6 edge and S6 edge+, Note8, Note5, A8 and the A5.

2. PROPOSAL BY AIR CANADA, TD, CIBC AND VISA TO ACQUIRE AIMIA'S AEROPLAN LOYALTY BUSINESS

Source: Newswire.ca (07/25)

Air Canada, TD, CIBC and Visa, on behalf of a corporation to be formed, have made a proposal to Aimia Inc. to acquire its Aeroplan loyalty business (including approximately \$2 billion of Aeroplan points liability at March 31, 2018) for \$250 million in cash (the "Proposed Transaction"), representing a total purchase price of approximately \$2.25 billion.



The Proposed Transaction, if accepted by Aimia, will ensure value and continuity for their members as well as customers of Air Canada, TD, CIBC and Visa. The proposal implies an estimated market equivalent value of \$3.64 per Aimia share, a 52.3% premium to the 30-day VWAP and a 45.6% premium to spot closing price as of July 24, 2018. The market equivalent value is comprised of the Aeroplan loyalty business proposal value of \$1.64 per Aimia common share plus non Aeroplan loyalty program net assets valued at \$2.00 per common share based on fair market value estimates contained in Mittleman Investment Management's Q1 2018 investor letter.¹

The parties have requested a prompt response from Aimia regarding the proposal, which has an expiry date of August 2, 2018. The Proposed Transaction is subject to the satisfactory conclusion of transaction documents and certain other customary conditions, including due diligence, receipt of customary regulatory approvals and the negotiation and satisfactory completion of credit card agreements between Air Canada and each of TD and CIBC.

If completed, the Proposed Transaction would result in a positive outcome for Aimia shareholders and Aeroplan members, allowing for a smooth transition of Aeroplan members' points to Air Canada's new loyalty program launching in 2020, safeguarding their points and providing convenience and value for millions of Canadians.

Given Aimia's current situation and future prospects, the Proposed Transaction delivers value to Aimia's stakeholders. Air Canada, TD, CIBC and Visa are committed to engaging with Aimia's board to complete a transaction and trust that Aimia's Special Committee and Board of Directors, in discharging their fiduciary duties, will respond promptly by August 2, 2018. A timely completion of the transaction is essential for the continued participation of the parties.

The Canadian Imperial Bank of Commerce and Toronto-Dominion Bank are members of ACT Canada, please visit <http://www.cibc.com> and <http://www.td.com>.

3. CLOSER COLLABORATION BETWEEN C-SUITE AND CISOS NEEDED TO BRIDGE GAP IN CYBER READINESS, FINDS ACCENTURE REPORT

Source: Accenture (07/10)

With the proliferation of more and more sensitive data, expanding connectivity, and the adoption of automated processes, new research from Accenture (reveals that C-suite and IT decision makers need to embrace a different approach to cybersecurity to effectively protect against future cyber risks.



While most companies have a chief information security officer (CISO) or assigned cybersecurity to a C-suite executive, such as a chief information officer (CIO), often, these leaders have limited influence on cybersecurity strategy outside their departments. Additionally, nearly half of CISOs acknowledge that their responsibilities for securing the organization are growing faster than their ability to address security issues.

In the study "Securing the Future Enterprise Today - 2018," 73 percent of the more than 1,400 C-level executives polled agreed that cybersecurity staff and activities need to be dispersed throughout all parts of the organization, but cybersecurity remains centralized in 74 percent of companies. Moreover, there is little indication that C-suite executives expect to shift more responsibility for cybersecurity to business units. For example, 25 percent of non-CISO executives say business unit leaders are accountable for cybersecurity today and a similar number believe business unit leaders should be responsible in the future.

"There is no doubt that organizations are taking cybersecurity more seriously, however, there is still much work to be done. Cybersecurity strategy needs to be led by the board, executed by the C-Suite and owned at the front lines of the organization. Further, it must be infused across all aspects of a company's processes and systems, and built into the daily work activities of employees," said Omar Abbosh, Accenture's chief strategy officer. "To be able to grow safely, companies can establish sustained cyber resilience through a continual, proactive focus on cyber risk management at all levels."

Better Alignment Needed on Strategy and Protection Practices

The study exposed a disparity between what C-suite executives say are the emerging areas of concern and the cybersecurity strategies employed for protection. For example, companies are still doing little to spread security knowledge among employees and very few CISOs have the authority to influence business units across their organizations.

- Only half of respondents said all employees receive cybersecurity training upon joining the organization and have regular awareness training throughout employment.
- Surprisingly, only 40 percent of CISOs said establishing or expanding an insider threat program is a high priority.
- Just 40 percent of CISOs said they always confer with business-unit leaders to understand the business before proposing a security approach.

Top Cyber Risks: New Technologies and Data Sharing

- C-suite executives view several types of new technologies and tools as raising cyber risk for their companies and they're highly concerned about the potential dangers of sharing data with third parties



- Internet of Things technology topped the list with 77 percent of respondents saying that it will increase cyber risk moderately or significantly.
- Seventy-four percent of respondents said cloud services will raise cyber risk, but only 44 percent said that cloud technology is protected by their cybersecurity strategy.
- More than seventy percent of respondents expect sharing data with strategic partners and third parties will raise risk, yet only 39 percent said that the data exchanged is adequately protected by their cybersecurity strategy.

To read more about the growing gap between risk and protection download the report "Securing the Future Enterprise Today - 2018" at www.accenture.com/pervasivecyber.

Accenture is a member of ACT Canada; please visit www.accenture.com.

4. DOUBLE SPEND ATTACKS 'UNREALISTIC' ON BLOCKCHAINS WITH HIGH HASHRATE: BANK OF CANADA RESEARCH

Source: CCN (07/23)

A newly-published study from the Bank of Canada on incentive-based mining has confirmed what many cryptocurrency supporters have long argued: the risk of double spend attacks is relatively low on high-hashrate networks like Bitcoin and Ethereum, though smaller networks may not be quite so safe.

The study, which was conducted by Jonathan Chiu and Thorsten V. Koeppel, applied game theory to incentive compatibility on the blockchain in an attempt to discover the security of Proof-of-Work (PoW) consensus protocols and, specifically, whether users can trust that the information in the public ledger is immutable.

To conduct this evaluation, they gamed a hypothetical double spend attack, an event in which a miner successfully re-writes blockchain data to erase one transaction and replace it with another, thus allowing them to "spend" the same funds multiple times. This usually occurs at a cryptocurrency exchange, where the funds can quickly be laundered and withdrawn.

These attacks require a significant amount of computing power, which is why they are generally associated with 51 percent attacks, which occur when an individual miner or mining cartel accumulates a majority of a network's hashpower and can theoretically force the remaining nodes to accept their version of the blockchain as valid.



Double Spend Attack

A number of small-cap altcoins have been hit by double spend attacks in recent months, but larger coins are far less vulnerable.

According to the report's authors, it is "unrealistic" that such attacks will occur, at least on large networks, since these attacks — which may or may not succeed — force would-be attackers to incur a "large, irretrievable sunk cost."

They concluded:

"However, from an economic point of view, this requires that a dishonest miner has deep pockets and is risk neutral. These assumptions tend to be unrealistic and, in practice, users have little economic incentives to launch such an attack, especially when the computational investment by other miners is large."

That's not to say that double spend attacks never occur. In fact, as CCN has reported, they have become increasingly common among small-cap cryptocurrencies in recent months, particularly those that share a hashing algorithm with Bitcoin or can be mined profitably using GPUs.

To decrease their sunk cost, attackers rent hashpower from "cloud mining services" — often by the hour. There is far too little surplus hashpower available for an attacker to attack large coins like Bitcoin or Ethereum, but it's often alarmingly cheap to execute 51 percent attacks on cryptocurrency networks worth hundreds of millions of dollars.

The bank notes that cryptocurrency exchanges and other payment recipients concerned about double spend attacks can mitigate the risk of becoming a victim to one by increasing "confirmation lag," or the number of blocks that they require to pass before they deliver the service or goods associated with a transaction. Indeed, once a successful double spend has been identified, the first action that developers advise exchanges and other high-value targets to take is to drastically increase confirmation lag — at least temporarily — to increase the difficulty of rewriting the blockchain.

Moreover, cryptocurrency exchanges that suffer double spend attacks are often found to have credited user deposits after too few confirmations, making them prime targets for these attacks.

Altogether, the Bank of Canada study did not break any new ground on mining incentives, but it should further validate what cryptocurrency supporters have long said about this particular network security model.



5. US CONSUMERS SEEK BRAND TRANSPARENCY ON AI

Source: Mobile Payments Today (07/05)

Two out of three Americans are somewhat familiar with artificial intelligence with 32 percent feeling positive toward the technology but a good majority, 81 percent, expect companies to be transparent on how they're using it.

Those findings, from Rich Relevance's fourth annual "Creepy or Cool" survey, indicate AI and AR are now in the mainstream, according to a press release. Consumers, however, want insight on when and how the technologies are being used.

"Consumers generally know that data is being collected about them and that they are benefiting from AI. However, consumers are increasingly expecting brands and retailers to be transparent about when and how they're using AI in their interactions," said Mike Ni, CMO of RichRelevance, in the release. "As a result, companies are increasingly under pressure to adopt explainable and open AI systems that provide clear insight into how and why decisions are being made. Traditional black box, closed AI solutions are just not an option anymore."

A majority of consumers, 76 percent, still view clothing and wearables with sensors and tracking devices as creepy, as well as technology that lets retailers better understand shopping habits. Over half, 61 percent, view facial recognition as creepy though 48 percent consider robots in the store as cool.

The survey of 1,037 consumers was conducted in May 2018.

6. FINTECHS AND PSD2: THE ROLE OF COMPETITION ENFORCERS IN OPENING UP THE BANK INFRASTRUCTURE

Source: Lexology (07/18)

The strong rise of financial technology companies – also referred to as Fintechs – is leading to a "revolution" in the financial sector. Thanks to smart innovations in areas such as artificial intelligence, machine learning, blockchain, mobile payment and access management, these companies are able to provide services relatively cheap, easy and fast. In order to stimulate competition between traditional banks and Fintechs in the field of alternative and innovative payment services, revised European legislation aims to (further) regulate the traditional "banking infrastructure". This blog discusses the expansion of economic regulation of retail payments and associated data, and the application of the new regulatory framework by national competition authorities.



The rise of Fintechs

The IPO of the Dutch payment processor Adyen shows that Fintechs play an increasingly prominent role in the financial landscape. The established financial institutions, such as large banks, insurers and pension funds are aware of this development. Collaboration with Fintech startups is increasingly being sought by traditional banks and banks set up their own initiatives as well. A few examples of these are the launch of three startups – Franx, New10 and Prosperity – by ABN Amro, the founding of Peaks by Rabobank and the introduction of Kandoor by Pensioenfondsen APG. The major banks have also jointly launched Payconiq, an alternative to iDeal.

Despite the explosive growth of Fintech companies, newcomers to financial services sector often experience barriers when entering the market. Banks are not required to share their customers' payment account data with third parties on the basis of existing financial regulations. In various studies, the Netherlands Authority for Consumers and Markets ("ACM") analysed the possibilities to increase Fintech's contribution to competition and warned against the risks of foreclosure of Fintechs.

The European legal framework for retail payments has recently been revised with the adoption of the Payment Service Directive 2 (the "PSD2"). This directive focuses on opening up the banking infrastructure for third parties, also known as "open banking". By developing standards for the exchange of data and guaranteeing access to existing systems, the European legislator aims to increase competition in the market for (alternative) payment services.

Scope of PSD2

While Fintech companies did not initially fall under the scope of "payment service provider" as included in the PSD1, this definition has been extended in the PSD2 by two new non-banking players. The two new categories of payment service providers are;

Account information service providers: at the request of an (online) account holder, they aggregate information from different payment accounts (at different banks) belonging to the account holder. An example of this is the US-based company Mint.com, part of accounting software company Intuit. By combining information of different bank accounts, the account holder gets immediate insight into its overall financial position and will be able to check whether the balance on his bank account is sufficient to execute a certain payment order.

Payment initiation service providers: after explicit consent by private or business account holders, they initiate payments from the respective holders' (online) accounts. A well-known example of this is Tikkie, an app launched by ABN Amro.



Parties that want to provide these services must register and apply for a license from a central bank, for example De Nederlandsche Bank ("DNB"). Parties that solely provide account information services are exempt from this license obligation (Article 33 PSD2).

Access conditions for third parties

Pursuant to Article 35 PSD2, banks must grant authorised or registered payment service providers access to their online payment systems. Access must be granted on an objective, proportional and non-discriminatory basis and may not be more restricted than necessary. In addition, payment institutions, including payment initiation service providers, should have access to payment account services of credit institutions (Article 36 PSD2).

The rules concerning the access to and the use of (data relating to) online payment accounts are further elaborated on in Articles 66 and 67 PSD2. For example, payment service users must explicitly authorise the use of their payment account (data) by third parties. Third parties, the payment service providers, must inter alia identify themselves to users and may not request or store payment data other than directly necessary for the execution of the specific payment service. Banks must in turn cooperate, without delay, on payment orders and information requests from third parties and may not, for instance, make access to payment accounts (data) dependent on the existence of a contractual relationship between the bank and the third party.

The PSD2 imposes a non-discrimination obligation on banks. Banks may not treat third parties differently – for example in terms of time, costs and priority – from a similar request for information or a service made by a customer. Access to (the data of) online payment accounts can only be denied on the basis of objective reasons (Article 68 PSD2). A bank that denies access must report this to the competent authority that will assess it and, if necessary, take appropriate measures.

The Regulatory Technical Standards ("RTS") of the European Commission further specify the PSD2-rules. For example, the European Commission has determined that banks may be compensated for no more than the efficient costs they have to incur in order to grant access to third parties. However, the PSD2 leaves room for different interpretations of how access should be granted. Recently, the Berlin Group, an European initiative by financial institutions, has developed an Access to Account Framework consisting of an interoperable data exchange system. Ultimately, the exact access conditions will only be clarified once the directive has been implemented in national legislation and the national legal framework has been further defined.



Delayed implementation of the directive

The implementation of the PSD2 has been postponed several times compared to the prescribed implementation date of 13 January 2018. It is expected that the directive will be implemented in Dutch legislation by the end of 2018 at the earliest. In the legislative proposal, which is currently being discussed by the House of Representatives, Articles 35, 36 and 68 of the PSD2 have been implemented in Articles 5:88 (access to payment systems) and 5: 88a (access to payment account services) of the Dutch Financial Supervision Act ("Wft").

The PSD2 has no direct effect, meaning that Fintech companies can not yet apply for a license due to the delayed implementation, nor can they force access to bank accounts and related data. Therefore, Fintechs argue that traditional banks benefit from a competitive advantage as they already have the necessary data to offer alternative payment services. In contrast, traditional banks state that the lack of regulation of Fintechs creates a competitive advantage for Fintechs. They are currently not bound by the same rules on customer protection, security, liabilities etcetera as banks. In short, both banks and Fintechs are pushing for quick implementation of the PSD2. Until then, some market players started to share payment account data on their own initiative.

Delaying the implementation of European legislation is not without struggles. The European Commission can give the Netherlands a notice of default and start an infringement procedure that can eventually lead to the imposition of a fine by the Court of Justice.

Supervision and enforcement by the ACM

In addition to DNB, the Netherlands Authority for Financial Markets ("AFM") and the Dutch Data Protection Authority ("AP"), the ACM is also responsible for monitoring compliance with the PSD2-rules. The ACM announced in its study into Fintechs in the payment system in December 2017 that it would be proactive to investigate whether there are violations of the Dutch Competition Act ("Mw").

The ACM can take enforcement action in certain cases. In contrast to ex ante regulation in other sectors (telecom, energy, healthcare, etc.) the ACM did not receive additional instruments in relation to PSD2. The regulator can enforce enforcement on the basis of Article 24 Mw if dominant companies refuse to provide essential information to Fintechs on the basis of unjustified reasons. Pursuant to Articles 5:88 and 5: 88a Wft (new), the ACM will be given the opportunity to offer its position on the (justified) grounds for refusal of access. The ACM can also impose an administrative fine or a cease and desist order in case of non-compliance with these access provisions or give a binding instruction on the basis of 1:59 and 1:75 Wft. In such case, the ACM however has the obligation to request the AFM and DNB to give their opinion (Articles 1: 25a (3) in conjunction with 1:47



(1) Wft) so that the ACM can take account of sector-specific knowledge from DNB and the AFM. The exact distribution of supervisory tasks between the various authorities will still have to crystallise in the coming months during the parliamentary debate on the PSD2-implementation act.

New regulatory trend?

The banking sector does not appear to be the only sector where regulation of data aims to contribute to competition. In May 2018, for example, the ACM issued an advisory report on the regulation of the public transport payment market in which the ACM described the possibility of granting access to travel data and passenger information from public transport companies to mobility service providers in a similar way as PSD2. The digital economy may unleash a new trend in competition supervision whereby access to inputs and networks is increasingly enforced with ex ante regulation.

7. INGENICO'S AXIUM D7 FIRST POS TO ACHIEVE BOTH GOOGLE MOBILE SERVICES AND PCI-PTS V5 CERTIFICATIONS

Source: Ingenico (06/28)

Ingenico Group announced that its Axium D7, the world's only payment device to fulfil the Google Mobile Services (GMS) requirements, achieved the PCI-PTS v5 certification, highest security standard in the payment industry. This makes the Axium D7 unique on two grounds.

While many of the latest payment terminals on the market obtained the PCI-PTS v5 certification, none of these but Ingenico's Axium D7 can offer an application-rich smartphone- or tablet-like experience, as evidenced by its GMS certification. GMS is a collection of Google applications and APIs that enables this Android-powered dual-screen ECR-POS to give merchants full access to a host of Google applications (including Search, Chrome, YouTube and Google Maps) on a large merchant-facing display. They can also select third-party applications that help them manage all aspects of their business from a single device, far beyond checkout and payment acceptance. The Axium D7 improves customer interactions and creates new shopping experiences.

The Axium D7 and its rich business ecosystem combines Ingenico's assets in secure payments and cloud services with Google Mobile Services and a wealth of Android applications. It enables merchants to accept all electronic payments including NFC cards and wallets as well as alternative payments based on QR codes such as Alipay. The Axium D7 is a real asset to banks and acquirers, who can stand out from their competitors and build loyalty among their small and medium merchant customers.



"We are delighted to provide merchants with the world's only Android POS to boast both the PCI-PTS v5 and Google Mobile Services certifications, acknowledging that the Axiom D7 offers a tablet-like user experience. This ECR-POS seamlessly integrates existing business apps from the Google Play Store into merchant environments while ensuring the highest level of protection for cardholders' data." said Patrice Le Marre, EVP of the Banks & Acquirers Business Unit at Ingenico Group. "The recent PCI-PTS v5 certification of the Axiom D7 illustrates Ingenico's commitment to improving consumer and merchant experience without compromise on security."

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

8. GOOGLE PAY ADDS P2P AND MOBILE-TICKETING FEATURES, BUT GOOGLE PAY SEND STILL LIVES

Source: Digital Transactions (07/10)

Two previously announced features—support for person-to-person payments and a new tab for storing mobile tickets—went live Tuesday in Google Pay, Alphabet Inc.'s online and mobile-payments app. The first is a peer-to-peer payment capability, formerly known as Google Wallet, that allows users to pay or request funds from other persons. This capability has been available through a separate app called Google Pay Send, which is still available in the Google Play app marketplace—but apparently not for long.

"In early 2018, we brought all of our products together under the Google Pay umbrella to simplify payments on Google, making it easier for people to buy with their Google accounts," a spokesperson for Google, Mountain View, Calif.-based Alphabet's primary subsidiary, tells Digital Transactions News by email. "Our goal is to provide a complete experience for users within the Google Pay app and online. The Google Pay Send app will be phased out at a later date."

Google formally unveiled Google Pay in February as the successor to a series of contactless mobile-payment and P2P apps formerly branded as Android Pay, Google Wallet, and the original Google Checkout. In addition to unifying its branding, the search giant said it would gradually add features to the payment service over time.

The other new feature is a tab called Passes that allows users to store mobile tickets and boarding passes. The first supported companies are Ticketmaster and Southwest Airlines, according to the spokesperson. Coming soon are Eventbrite, Singapore Airlines, and the Spanish low-cost airline Vueling.

In addition, the spokesperson says Google Pay "is working to digitize mass-transit payments in major cities globally, including London, Madrid, Moscow,



Tokyo, Sydney, and Las Vegas. With transit, users can buy tickets online, use their phone at the gate, and go.”

While Google Pay is most associated with smart phones running Google’s Android operating system, the spokesperson says the service also works on Apple Inc.’s iOS mobile operating system within certain Web browsers.

9. FIME ADDS UNIONPAY CARD PERSONALIZATION VALIDATION TESTING SERVICES

Source: The Green Sheet (07/02)

FIME’s personalization validation tool (PVT) has been qualified by UnionPay to deliver PVT testing for its domestic and international markets. In addition, FIME has also received accreditation to deliver UnionPay card personalization validation testing services in line with UnionPay guidelines, and becomes the first accredited laboratory overseas. Issuers, card manufacturers and personalization bureaus around the world can now accelerate personalization validation for a range of secure chip products including EMV® chip cards, near field communication (NFC) devices and other contactless-enabled solutions, such as wearables.

FIME PersevalPro Issuer test tool, co-developed with Barnes International, automates the personalization validation testing process and enables testers to mitigate errors ahead of submission for formal certification. Combined with FIME’s consultancy and evaluation testing services, the tool - qualified across 13 international and domestic payment networks - gives issuers the most extensive brand personalization validation testing support on the market.

“EMV migration is gathering serious momentum worldwide, driven by the rising demand for smart cards and other contactless solutions, such as NFC mobile and wearable devices. For issuers, the challenge is on how to deliver these products on time,” comments Leo Jiang, Country Manager for China at FIME.

“This latest accreditation reflects our continued efforts to support the region and overseas to simplify EMV product testing and reduce time to market. With the rapid global growth of UPI in recent years, it was crucial to add this library to our testing portfolio to ensure we continue to deliver comprehensive testing and certification support to our customers,” adds Leo.

FIME and UnionPay International are members of ACT Canada, please visit <http://www.fime.com> and <http://www.unionpay.com>.



10. GEMALTO AND ENTRUST DATACARD EXTEND PARTNERSHIP TO ACCELERATE IOT SECURITY ADOPTION

Source: Gemalto (07/31)

Gemalto and Entrust Datacard announced the expansion of their longstanding partnership to include a secure framework for Internet-connected devices. This expanded collaboration and integration will allow customers to leverage Entrust Datacard IoTrust™ Security Solutions with Gemalto's SafeNet Data Protection On Demand to establish and secure trusted identities across their Internet of Things (IoT) infrastructures and further enable their digital business initiatives.

A recent Gemalto IoT security study found that 90 percent of consumers lack confidence in the security of IoT devices and only half of companies have adopted a "security by design" approach when building IoT devices. In addition, more than half of consumers are most concerned with a hacker controlling their IoT device or having their data stolen due to the connected object, according to the study. Based on the security risks and growing need for "security by design," companies like Gemalto and Entrust Datacard are working together to make securing the IoT as easy and efficient as possible.

The partnership addresses the industry need to simplify the process of building and maintaining security in IoT products and services with an integrated cloud-based solution for identity management and data protection. Customers adopting Entrust Datacard's IoTrust Security Solution are able to identify IoT devices from the earliest stages of manufacturing throughout the operational lifecycle and secure data within IoT infrastructures. Gemalto's SafeNet Data Protection On Demand enables enterprises to protect IoT device identities and data with cloud-based Hardware Security Modules and broad range of cloud-based encryption, key brokering and key vaulting services. Organizations can also choose to deploy on-premise versions of both the SafeNet Hardware Security Modules, Key Management and Data Encryption products and Entrust Datacard's IoTrust Security Solution.

"Organizations are still struggling to incorporate security into IOT initiatives and keep pace with the broader IoT objectives of delivering innovative services and more efficient operations. While we continue to work with the industry to mature best practices and standards, we've also incorporated these learnings into our solutions," said Josh Jabs, vice president, office of the CTO and GM of IoT solutions for Entrust Datacard. "Extending our long-standing relationship with Gemalto to include IoT made sense as together we make critical elements of IoT security easier to adopt."

"We are pleased that many security providers are now coming together to integrate solutions and employ security across the entire IoT ecosystem," said



Todd Moore, senior vice president of Encryption Products at Gemalto. "We're moving our strong partnership with Entrust Datacard into a new era – securing the IoT, where encryption, cryptography, identity issuance and access management are a full-stack solution and not individual components. This way, security is built-in and no longer an after-thought or a challenge. It becomes invisible and just happens."

Gemalto is a member of ACT Canada; please visit <http://www.gemalto.com>.

11. CPI CARD GROUP AND COMMERCIAL BUSINESS SYSTEMS COLLABORATE ON CORE INTEGRATION

Source: CPI Card Group (07/11)

CPI Card Group announced a collaboration with Commercial Business Systems (CBS), a provider of premium software and IT services for credit unions, to integrate CBS' CAMS-ii credit union accounting and management system and CPI's Card@Once solution to streamline instant issuance of EMV®-enabled cards.

The integrated instant issuance offering from CPI and CBS equips credit unions with an end-to-end print and activation solution allowing branches to respond immediately to members for new and replacement cards. CAMS-ii software relieves credit unions of the time-consuming, resource-heavy responsibilities of information management, while Card@Once adds simple, cost-effective instant issuance to a credit union's capabilities. A core integration between the solutions allows credit unions to activate cards during printing to the Card@Once printer from their CAMS-ii user interface, eliminating the need for dual entry.

"The integration will allow branches to issue fully activated EMV chip cards in the span of a short visit," said Lane Dubin, SVP and General Manager, Prepaid and Instant Issuance for CPI. "We're thrilled to work with CBS to offer their customers a competitive solution that expedites the delivery of debit and credit cards."

"Our primary focus has always been on alleviating the burdens of information management and ensuring that our credit union clients are positioned for success," said Ken Hunt, VP for CBS. "Integrating our software with Card@Once is a natural fit, helping our customers benefit from leading-edge instant issuance technology as they focus on driving their growth." The core integration of CBS' CAMS-ii credit union management software and CPI's Card@Once instant issuance solution will be available to all clients using the CAMS-ii software.



CPI Card Group is member of ACT Canada; please visit www.cpicardgroup.com

12. PAYMENT CARD SPENDING IN CANADA UP 3.3 PER CENT IN THE SECOND QUARTER OF 2018

Source: Moneris (07/19)

Canadian spending has begun to flatten according to the MonerisMetrics Quarterly Report released today by Moneris Solutions Corporation ("Moneris"). In total, year-over-year spending in the second quarter of 2018 increased by only 3.3 per cent – marking the lowest quarterly growth in nearly four years.

All provinces realized measured spending growth, with the exception of Newfoundland, which experienced a decrease in spending by 2.4 per cent. British Columbia, Quebec and Ontario were the only three provinces to outpace the Canadian average, realizing year-over-year increases of 4.6 per cent, 4.2 per cent and 3.4 per cent, respectively.

"Looking at our data from the last three years, we've seen tapering, but steady, growth across the country," said Angela Brown, President and CEO of Moneris. "This, in tandem with the Bank of Canada's recent announcement of interest rate increases, demonstrates strength in the Canadian economy, and we anticipate stable spending growth over the coming months."

According to Moneris, April was the weakest month of the second quarter – increasing 2.9 per cent on a year-over-year basis, however, spending in Canada rebounded in May and June with 5.9 and 3.1 per cent increases respectively. These results mirror the recent Statistics Canada data, which showed that retail sales in April fell 1.2 per cent – the largest drop in over two years.¹

Foreign card spending growth fueled by United States, United Kingdom and China. Outpacing the spike in foreign spending associated with Canada150 in 2017, tourists spent significantly more in terms of dollar volumes in the second quarter of 2018 on a year-over-year basis. In total, spending on foreign cards increased 13 per cent across the country, despite a decrease in travel to Canada on a year-over-year basis - 2.58 million visitors in April 2018² as compared to 2.63 million visitors in April 2017³ - and a strengthened Canadian dollar. The United States, United Kingdom and China lead the way, growing spending by 15.5 per cent, 21.3 per cent and 7.2 per cent respectively.

Contactless continues to surge across the country

The second quarter of 2018 marked the one-year anniversary of Google Pay in Canada and according to Moneris' data, Canadians have continued to take advantage of contactless payment options. Nearly half of all transactions in the



second quarter of 2018 were completed through a contactless payment option – the highest share since being introduced in Canada. Additionally, on a year-over-year basis, contactless dollar volume increased 33.9 per cent, and the number of contactless transactions grew 31.8 per cent.

Newfoundland, Nova Scotia and New Brunswick saw the largest contactless volume growth with increases of 42.7 per cent, 41.3 per cent and 39.4 per cent respectively.

“Contactless has become a preferred payment method for Canadians,” said Brown. “Consumers are increasingly looking for convenience in their shopping experience, and Canadian businesses have embraced the contactless trend and are clearly reaping the benefits of the seamless experience.”

Moneris is a member of ACT Canada; please visit <https://www.moneris.com>.

13. UNIONPAY BRINGS QR CODE MOBILE PAYMENTS TO NORTH AMERICA

Source: Mobile Payments Today (06/28)

UnionPay International is partnering with Bank of China (Canada) to enable all Foodymart stores in Canada to accept UnionPay QR code payment, according to a press release.

Some food and beverage merchants in California, have recently started accepting UnionPay QR code payment too, according to the release. This is the first time UnionPay's QR code payment has been launched in Canada and the U.S. It is expected that the number of merchants accepting UnionPay QR code payment in North America will reach 5,000 within this year, according to UnionPay.

So far, about 80,000 POS terminals in the U.S. accept UnionPay mobile QuickPass, and this figure is expected to grow to 250,000 within this year. There are also thousands of daily consumer merchants in Canada that have accepted UnionPay mobile QuickPass.

After the launch of UnionPay QR code payment, users of the UnionPay app can scan and pay at the Foodymart stores in Toronto and Vancouver, as well as at restaurants such as Hai Di Lao Hot Pot in San Francisco, according to the release.

UnionPay International is a member of ACT Canada; please visit <http://www.unionpay.com>



14. MASTERCARD HAS A NEW PATENT THAT COULD ALLOW BITCOIN TRANSACTIONS ON CREDIT CARDS

Source: CNBC (07/17)

Consumers might one day be able to charge their purchases on their credit cards using bitcoin as a currency.

On Tuesday, Mastercard won a patent to protect a method that would manage "fractional reserves of blockchain currency." At present, Mastercard holders can only pay for things using currency that the government has declared as legal tender, Seth Eisen, Mastercard's senior vice president for communications, said.

In the document, published with the U.S. Patent and Trademark Office, Mastercard said that there has been "increased usage" in blockchain currencies by consumers who "value anonymity and security." But there are disadvantages to using digital currency, the document noted, and there's a need to improve the storage and processing capability of such transactions.

"While blockchain currencies can often provide such safety and security for the payer's information, such security may be limited for payees, particularly due to the limitations of the blockchain," the document said. For example, digital coin transactions still take longer: about 10 minutes for blockchain transactions versus nanoseconds for traditional payments.

As a result, both consumers and merchants have to wait a "significant amount of time" for these digital transactions to go through, or "rely on the payer's good faith" that they are valid, said the document. It added that in the latter instances, the anonymity of the blockchain may leave those accepting payments at a disadvantage.

"Many entities, particularly merchants, retailers, service providers, and other purveyors of goods and services, may be wary of accepting blockchain currency for products and participating in blockchain transactions," the document concluded.

However, while the details are still unclear, if the method was brought to market, it could speed up blockchain transactions by allowing cardholders to instantly pay for things on their credit card with a fraction of their digital currency.

In an email to CNBC, Eisen wrote, "We're consistently looking at ways to bring new thinking and new innovations to market to create value for us and our customers and cardholders. Patent applications are part of that process, taking steps to protect the company's intellectual property, whether or not the idea ever comes to market." Eisen said currently, no products have been brought to market.



Still, Fundstrat Global Advisors Tom Lee told CNBC that this is good news for digital currency. "It's really validating the idea that digital money, or blockchain-based money, is a valid form of transaction," Lee, who serves as managing partner and head of research at the equity research firm, said on "Fast Money" Tuesday.

The bitcoin bull pointed out that other countries, such as Japan, have "taken a much more positive view on digital money, or blockchain based money, being real transactions." Crypto traders celebrated Tuesday as bitcoin passed \$7,000 around 2 p.m. ET and held steady above \$7,300 for most of the day, according to Coinbase. That's an increase of about 13 percent from a month ago.

Bitcoin fell below \$6,000 in June, in what some traders deemed was a cryptocurrency bear market. The coin bounced back a few days later. Still, bitcoin, the largest digital coin by market cap — valued at more than \$125 billion, according to CoinMarketCap — is nowhere near its December peak when it was priced around \$19,500.

MasterCard Worldwide is a member of ACT Canada, please visit;
<http://www.mastercard.ca>

15. BANK OF ENGLAND SAYS PAYMENTS SYSTEM CAN SERVE BLOCKCHAIN USERS

Source: Euronews (07/23)

A revamped Bank of England payments system should be able to hook up with fintech firms using distributed ledger technology (DLT), the central bank said on Monday in a boost to the development of blockchain in Britain. The BoE is aiming to revamp the system that underpins British banking and trading in the City of London by 2020 to strengthen defences against cyber-attacks and widen the number of businesses that can use it.

Its Real-Time Gross Settlement (RTGS) system handles transactions worth around 500 billion pounds - equivalent to almost a third of Britain's annual economic output.

In March this year, the BoE announced a "proof of concept" with several firms to see what changes would be needed to the proposed revamp of RTGS to support settlement with firms that use blockchain, the technology used to record transactions in cryptocurrencies like bitcoin. Britain's government is keen for the United Kingdom to remain a leading centre for fintech innovation like payments and blockchain.



Berlin, Paris and other EU cities are seeking to lure fintech firms from Britain, worried about access to the bloc's single market after Brexit next year.

"All participants confirmed that the functionality offered by the renewed RTGS service would enable their systems to connect and to achieve settlement in central bank money," the BoE said in a statement on Monday. "A number of recommendations were received to ensure optimal access to central bank money."

One recommendation will be to investigate if the revamped RTGS system could provide and use "cryptographic proofs" that stop data being stolen or altered. The BoE will continue to engage with fintech firms to keep up to date with innovation in payment technology.

RTGS suffered a major outage in October 2014, and BoE Governor Mark Carney wants to make it easier for smaller firms to use the system directly rather than via large incumbent banks to help boost competition and innovation.

16. IDEMIA WISE PLATFORM DELIVERS CONTACTLESS PAYMENTS AS CONFIRMED BY PROOF OF CONCEPT

Source: IDEMIA (07/27)

Over the 3 month proof-of-concept with the National Payment Corporation of Vietnam ("NAPAS"), IDEMIA and NAPAS together found that under laboratory conditions, the kernel was proven to produce an open platform that was compatible with various form factors, applets and NAPAS chip card specifications. IDEMIA's WISE HCE (Host Card Emulation) SDK Mobile Payment Engine designed to bring about HCE mobile payments was also covered by the proof of concept. WISE is an EMV-compliant special feature that will pave the way for contactless payments. The feature is broadly supported, so it should be soon taken up by other parties involved in payment transaction security.

WISE is highly flexible and has been shown to support a large range of systems from domestic payment networks to ATM networks. Additional applications include "closed loop" public transit networks and non-cash transactions (such as passes and loyalty schemes). With 50 million-plus cards issued worldwide to date, WISE supports over 35 customers in several developed markets.

"Backed by tremendous help from IDEMIA and ETC people, this successful proof of concept establishes beyond doubt that WISE is adaptable and can satisfy all payment needs. Buoyed by this initial success, we look forward immensely to teaming up with IDEMIA again to explore further how to bring about an open NFC payment ecosystem in Vietnam." Minh Nguyen Quang, Napas Deputy CEO



"Our joint proof of concept with NAPAS is our first big step together and we will now ramp up joint projects with NAPAS looking to pave the way for a totally seamless payment experience in banking and other industries. IDEMIA has developed EMF-compliant WISE to support payment ecosystems when they switch over to chip and mobile payments. WISE features have been made flexible and scalable to satisfy local requirements and regulations." Pierre Barrial, IDEMIA Executive VP

IDEMIA is a member of ACT Canada; please visit www.idemia.com.

17. WORLDPAY AND MASTERCARD TO ENTER NEW GLOBAL PARTNERSHIP FOCUSED ON INNOVATING PAYMENTS

Source: World Pay (07/16)

Worldpay, Inc. and Mastercard announced their intention to enter a global strategic partnership focused on expanding acceptance options and making digital payments even more convenient and secure. "Through this partnership, Worldpay and Mastercard will help expand payments acceptance options for U.K. consumers and retailers by leveraging account-to-account payments technology with Mastercard's 'Pay by Bank' app," said Kevin McCarten, Chief Strategy and Marketing Officer at Worldpay. "This – combined with our joint efforts in making digital payments even more convenient and secure globally – creates a powerful partnership that benefits all payments stakeholders."

Growing Account-to-Account Payments

Under the partnership, Worldpay will offer the 'Pay by Bank' app – a new way to pay – to merchants in the U.K. starting in early 2019. Created by Mastercard's Vocalink business, the 'Pay by Bank' app enables customers of U.K. businesses to make online payments for goods and services via their banking app, and directly from their bank account.

With a strong market share in the U.K., partnering with Worldpay will significantly increase the opportunity to widen online retail acceptance for the 'Pay by Bank' app, allowing Mastercard to bring distribution scale to the new service, and diversify its business beyond its existing card network in the U.K.

"This is the latest way we're able to deliver on consumer's expectations, whether they're shopping online or paying for utilities," said Mark Barnett, President of Mastercard in U.K., Ireland, Nordics & Baltics. "We're maximizing each other's ability to provide the choices in fast and convenient ways to pay. In particular, 'Pay by Bank' app is set to play a big role in U.K. digital commerce, as more banks and merchants offer this as a payment option to millions of their customers."



Making Digital Payments Even Simpler and More Secure
Worldpay will also support EMVCo's Secure Remote Commerce (SRC) framework to provide consumers with a simple and consistent online payment experience instead of the numerous confusing options available today. Worldpay joins Mastercard and other payments industry players in developing a single, common checkout button. While this service is developed, Worldpay will continue to support its clients with Masterpass and other eCommerce solutions.

Additionally, Worldpay will leverage Mastercard Digital Enablement Service which replaces a card's primary 16-digit account number with an alternative card number, or "token," for enhanced security of online, in-app and digital payments.

Worldpay will also enable Mastercard MoneySend to expand functionality for its push-to-card disbursement solutions, including FastAccess for merchant settlement. With this expanded solution in place, Worldpay merchants can receive settlement payout to Mastercard debit cards within minutes¹ – rather than the typical one to three days via ACH.

Mastercard and Worldpay are members of ACT Canada; please visit <https://www.mastercard.ca> and <http://www.worldpay.com>.

18. SNAPCHAT EXITS P2P

Source: PYMNTS.com (07/23)

Snapchat is closing down Snapcash, its peer-to-peer payment space, on August 30. According to reports, there is code buried in Snapchat's Android app that has the following message: "Snapcash will no longer be available after %s [date]".

The end of the feature also ends the company's four year partnership with Square. Although Snapcash was meant to be a way for users to split a restaurant bill with friends like any P2P service, it also became a way to pay adult performers for private content over Snapchat. In fact, a Twitter search for "Snapcash" found numerous offers of erotic content in exchange for payments through the service.

In addition, rival apps like Venmo, PayPal, Zelle, and Square Cash give users plenty of ways to pay back friends, which might have resulted in low usage for Snapcash.

"Yes, we're discontinuing the Snapcash feature as of August 30, 2018. Snapcash was our first product created in partnership with another company – Square," a Snapchat spokesperson told reporters. "We're thankful for all the Snapchatters who used Snapcash for the last four years and for Square's



partnership!” The spokesperson added that users would be notified in-app and through the support site soon.

Cutting ties with the feature could be another way Snap is slashing costs. The firm burned through \$1.1 billion in five quarters — not counting acquisitions. Experts says that Snap’s best bet in getting a cash infusion might be an investor looking to hold off Facebook. While Tencent might be the best choice as it is already an investor, other firms like Apple, Amazon or Google could be a possibility.

Of course, a sale could also happen. Snap has turned down purchase offers (most famously from Facebook), but the company could offer an attractive target for a behemoth tech firm. At a recent conference, CEO Evan Spiegel was non-committal about whether he’d be open to selling the company, saying only that he had a fiduciary duty to consider it.

19. BLUEFIN AND VERIFONE STRENGTHEN PAYMENT SECURITY WITH NEW PARTNERSHIP TO PROVIDE PCI-VALIDATED POINT-TO-POINT ENCRYPTION (P2PE)

Source: Business Wire (07/10)

Verifone and Bluefin announced a partnership to provide Bluefin’s PCI-validated Point-to-Point Encryption (P2PE) security solution to merchants using either Verifone’s POINT or Retail Transaction Switch (RTS) solutions. Through this partnership, merchants can reduce not only the cost and effort they incur when trying to comply with PCI PA DSS requirements, but also mitigate the risk associated with face-to-face payments.

The Verifone Validated P2PE solution, which can now be viewed on the PCI P2PE Solution website, is an incremental offering within Verifone’s industry-leading payment security product line. This Validated P2PE solution will be available to meet the needs of merchants of all sizes and offers multiple configurations and processing options.

“Merchants around the globe are looking to fully certified PCI P2PE solutions for protection from threats to consumer and card data,” said John M. Perry, CEO, Bluefin. “In partnership with Verifone, we are delighted to protect retailers and merchants with the best-in-breed security solution that offers PCI DSS scope relief and secures cardholder data.”

To be certified as a PCI-validated P2PE solution requires that the payment solution adopts specific physical, logical and operational security controls. The implementation of these controls is ultimately reviewed by a special P2PE Qualified Security Assessor (QSA) and then again by PCI prior to a solution being



deemed “Validated P2PE Certified.” The purpose of this process is to ensure that an encrypting payment solution has been implemented in a way which truly reduces data compromise risk.

“We are a client-first company, and with this new partnership we give merchants greater peace of mind, freeing them to focus on running their business and serving their customers,” said Joe Mach, president of North America for Verifone. “Our mission is to bring simplicity to doing business today by looking for new ways to ease the points of friction in payments and commerce.”

The combination of Verifone’s industry leading payment devices and solutions, and Bluefin’s decryption and operational capabilities result in a true enterprise-class solution. It secures credit and debit card transactions by encrypting all data within a PCI-approved point of entry device. This prevents clear-text cardholder data from being available within the device, or in the merchant’s system where exposure to malware is possible. Data decryption always occurs offsite in a Bluefin hardware security module (HSM), ensuring the highest level of security.

For merchants, the benefits of the Bluefin / Verifone P2PE solution include reducing PCI scope from 329 to a 33 question P2PE self-assessment questionnaire (SAQ), managing chain of custody using the Bluefin P2PE Manager® online device management system, and integration with Verifone’s market-leading line of payment solutions.

Verifone is a member of ACT Canada; please visit <http://www.verifone.com>

20. SKRILL WALLET USERS CAN NOW INSTANTLY BUY AND SELL CRYPTOCURRENCIES

Source: Financial Post (07/25)

Skrill, part of the Paysafe Group, is now offering its customers the opportunity to instantly buy and sell cryptocurrencies, including Bitcoin, Bitcoin Cash, Ether and Litecoin. All customers need to do is log into their account, select ‘Exchange’ and in just a couple of clicks they can begin buying, holding and selling cryptocurrency. Skrill purchases and holds the cryptocurrency via a recognised cryptocurrency exchange.

Other features of the Skrill wallet include the ability for consumers to upload funds with multiple payment options and currencies, and the speed and efficiency of setting up a new user account means consumers can start buying and selling cryptocurrencies faster than ever*.

Lorenzo Pellegrino, CEO Skrill, NETELLER and Income Access, commented:



“The world of cryptocurrency trading is exciting and dynamic, and our digital wallet service very much lends itself to this environment. I’m confident that the ability to trade in cryptocurrencies quickly and easily through Skrill will appeal to consumers both now and in the future. We know many people want to experiment with cryptocurrency trading but don’t know where to start and we’ve made the entire process very straightforward.”

Skrill’s new cryptocurrency capability is now live in over 30 countries**. The company plans to roll it out to additional markets and extend the service to its mobile app and Paysafe’s NETELLER digital wallet in the next few months.

Notes to editors:

*At this stage, customers will only be able to buy and sell interests in cryptocurrency and will not be able to transfer their cryptocurrency holding to other Skrill customers or use it to transact with merchants. This service will be added in the future. **Launch markets are Australia, Argentina, Austria, Belgium, Brazil, Bulgaria, Canada, Colombia, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Greece, Hungary, Ireland, Italy, Latvia, Liechtenstein, Luxembourg, Malta, Mexico, Netherlands, Norway, Peru, Poland, Portugal, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, UAE and the UK.

21. FIME FIRST TO SUPPORT EMV CONTACTLESS READER AND DISCOVER GLOBAL NETWORK TESTING IN JAPAN

Source: FIME (07/04)

FIME’s Japanese laboratory is the first in the country accredited to perform testing in line with the Discover Global Network Contactless Reader specification and the EMV C-6 specification. Contactless payment terminal, kernel and mobile point of sale (POS) vendors in Japan can now benefit from FIME’s extensive portfolio of testing services in local language and currency, streamlining the path to market launch.

FIME Japan is accredited to deliver testing support against EMV C-2, C-4, C-5 and now, C-6 Contactless Reader specifications, with global services supporting C-3 and C-7, helping local players meet demand for multi-scheme contactless and mobile payments.

“With international tourism rising and the 2020 Tokyo Olympics on the horizon, players targeting this market need to support EMV contactless mobile payments for multiple global payment schemes,” comments Stephanie El Rhomri, Vice President of Services at FIME. “Today, FIME Japan provides the widest range of payment testing and certification services in the country and we’re committed to further expansion. Offering a broad range of certifications for EMV and the major



payment schemes under one roof enables quick, cost-effective and localized support for Japanese product vendors.”

The Japan laboratory has become the fourth of FIME’s global network accredited by Discover Global Network, with testing labs already established in the U.S, France and Asia.

Discover and FIME are members of ACT Canada; please visit www.discover.com and www.fime.com.

22. SMALL BUSINESS PAYROLL LAUNCHES TODAY WITH PROSPERA CREDIT UNION

Source: Central 1 (07/17)

Canada’s first small business payroll system integrated with online banking, offered by Central 1, launched with Prospera Credit Union today. Other financial institutions are expected to follow throughout 2018. Small Business Payroll is an innovation that will transform how Canadian small businesses operate by integrating payroll with day-to-day online banking. This solution is designed to work seamlessly and automatically—payroll is paid, reconciled, and securely stored, as well as easily analyzed to help future business decisions.

“Central 1 is redefining what online banking means for small businesses, by developing innovative ideas that will help credit unions support the financial success of both individual and business members,” said Mark Blucher, President and CEO, Central 1. “Our research shows that payroll is one of the biggest frustrations for entrepreneurs and that our solution addresses that head on, in a way that is simple for any small business to operate.”

“Serving the small business community has been a cornerstone of Prospera Credit Union’s mission from day one, and being able to offer original technology solutions like Small Business Payroll helps us to do just that,” said Shawn Good, President and CEO, Prospera Credit Union. “Providing this fully integrated and seamless online payroll solution will address a longstanding pain point in the business community and we’re thrilled to partner with Central 1 to make it available.”

Currently, banks connect to external payroll service providers but don’t have an integrated view of all their financial transactions built in, resulting in many time-consuming side effects. Central 1’s fully-integrated online Small Business Payroll simplifies the entire payroll system by:

- Cutting the payroll processing times in half – from the typical six business days that occurs when using a third-party payroll provider – to three, resulting in three extra days of cash flow per pay period.



- Setting up the integrated payroll solution with a company's credit union; it's quick and easy because of the existing credit union relationship, avoiding the nearly week-long wait it can take to set up a third-party payroll services.
- Calculating files and automatically paying all federal and provincial payroll taxes on behalf of the small business.
- Creating and clearing payments quickly using direct deposit. Business owners can see and understand their cash flow quickly, at a glance.

The Small Business Payroll solution is flexible and serves the entrepreneurs and business owners who fuel Canada's economy. The flexibility of this payroll solution allows business owners to pay all employees including full-time, part-time as well as seasonal workers, vendors and contractors. All Canadian bank accounts are supported so no employees will need a separate solution.

Central 1 is a member of ACT Canada; please visit <https://www.central1.com/>.

ACT Canada helps members understand complex issues and filter truth from market noise for current and emerging commerce trends. Through a consultative approach with all stakeholder groups, the association provides knowledge and expertise to help members leverage opportunities, confront challenges and advance their businesses. Please visit www.actcda.com or contact our office at 1 (905) 426-6360.

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ACT Canada helps members to:

Engage - Grow the commerce community via stakeholder contributions, collaboration and networking

Enable - Provide access to the expertise of the member community to gain insights that will help strategic decision-making

Evolve - Drive positive change in the increasingly complex commerce environment