



Welcome to the **June** 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 - *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.



New and Renewing Members

General Member

UnionPay International ~ member since 2015

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

Money2020 Europe

Jun 26-28, 2017

Copenhagen, Denmark

www.money2020europe.com

ACT Canada members receive discounts

Money2020

Oct 22-25, 2017

Las Vegas, NV, USA

www.money2020.com

IVIE Awards Gala

Nov 8, 2017

Toronto, ON, Canada

Help us celebrate the best in innovation in payments and digital identity!

Nominations now open at www.actcda.com/ivies.html

Articles

1. EDITORIAL – PARTING THOUGHTS

Source: Catherine Johnston, CEO, ACT Canada (retired) (06/29)

This is my last editorial as the CEO of ACT Canada. I've always said that there is a difference between what we think and what we know. You've had as much as 27 years of hearing what I think, so I'd like to leave with sharing some of the things I know.

1. Payment is complex.
2. Canada has a good and well respected payment system.
3. Payment is going to get more, not less, complex.
4. Cross stakeholder dialogue is needed to keep our payment system both good and respected.

This is also what I know. Some of you may argue that it is just what I think, but five years from now we can check back and I'm willing to bet it was "know" not "think". There will always be a need for a stakeholder association. In spite of the complexities, when stakeholders have a way to talk together they can get much closer to realizing their own goals.

Don't underestimate the power of connecting with people and organizations that can favourably impact your success. Don't undervalue the influence you have when you are able to talk with other stakeholders. Those conversations will lead to insights that can get you to market quicker, drive more revenue and profit and the insights that come from those conversations will mitigate risks.

To all of you who have believed in this, thank you. Working together – works!

2. CATHERINE JOHNSTON RETIRES

Source: Catherine Johnston, CEO, ACT Canada (retired) (06/29)

After 26 years with ACT Canada, I have decided that the time is right to return to my first profession (if you don't count babysitting). At the age of 13, I started to write. Now I am anxious to return to writing so that I can finish two books I've been working on for several years. The association is in excellent shape with a great board, a dynamic market that needs ACT Canada's services more than ever, and a President who knows our members, the market, and the intricacies of running the business.



I will be keeping an eye on payment as I take on an occasional project, and of course, I look forward to hearing from you via LinkedIn. Thank you for all your support over the years. It was, and forever will be, appreciated.

I wish you happiness, health and the focus and discipline that brings success.

3. CIBC JOINS ANDROID PAY IN CANADA - FIRST BANK TO OFFER ALL THREE LEADING MOBILE WALLETS FOR CANADIANS

Source: CIBC (05/31)

CIBC announced that it is the first Canadian financial institution to offer all three leading mobile wallets, as it teams up with Google to introduce Android Pay for all of its clients this coming Monday. Offering Android Pay as another simple and secure payment option, CIBC clients can now use their Android phones to make everyday purchases wherever contactless payments are accepted, by adding their credit cards starting today, and debit cards on Monday.

"With Android Pay our clients have another digital home for their CIBC credit and debit cards, allowing them to seamlessly tap and pay with their phones at retail locations across Canada," says Todd Roberts, Senior Vice President, Innovation, CIBC. "The convenient and secure payment option also offers an easy in-app payment function for clients to directly make purchases through their favourite retailer's app by simply selecting the Android Pay option at check out – this is the type of innovation our clients are looking for from their digital banking experience."

Available for download from the Google Play Store, Android Pay offers a fast, simple and secure way to use a card to buy things in apps or stores — all without pulling out a physical wallet. Your device can notify you of your transactions with Android Pay, which doesn't share your actual credit or debit card number with the merchant when you pay in-store. Additionally, if your phone is ever lost or stolen, you can simply use Find My Device to instantly lock your device from anywhere, secure it with a new password, or even wipe it clean of your personal information. Android Pay works with NFC-enabled Android devices and tablets running KitKat (4.4) or higher.

"We're excited to bring the simplicity and security of mobile payments to Android users in Canada," says Pali Bhat, VP of Product Payments, Google. "Starting today, Canadian shoppers will be able to use Android Pay at hundreds of thousands of contactless payment terminals across Canada."

For more information on Android Pay, visit: www.cibc.com/android-pay

CIBC is a member of ACT Canada; please visit www.cibc.com.



4. INTERAC DEBIT ON ANDROID PAY LAUNCHES IN CANADA

Source: Interac Association (05/31)

Interac Association/Acxsys Corporation ("Interac") announced the launch of Interac Debit on Android Pay. As part of Google's rolling deployment, consumers with debit cards issued by BMO Financial Group, CIBC, Desjardins and Scotiabank will be able to pay using Android Pay starting on Monday, June 5, 2017. Interac Debit on Android Pay allows consumers to use their eligible Android device to make fast, secure and convenient mobile contactless transactions at hundreds of thousands of merchant locations across Canada where Interac Flash contactless payments are already accepted.

"We're excited to team up with Google, as well as our participating financial institution partners, to bring Interac Debit on Android Pay to Canadians," said Mark O'Connell, President and CEO, Interac Association and Acxsys Corporation. "As the payment landscape evolves, we strive to offer Canadians innovative and seamless payment experiences that are fast, secure and increasingly more digital. The launch of Android Pay in Canada will give Interac debit cardholders yet another way to pay using their own money."

"We're excited to bring the simplicity and security of mobile payments to Interac Debit customers with Android Pay, starting on Monday," said Pali Bhat, Global Head of Payments, Google. "People will be able to use their Android device to pay at hundreds of thousands of contactless payment terminals in Canada." Interac Debit on Android Pay is the latest example of how Interac is working with its partners in the payments space to provide innovative payment solutions and great user experiences to consumers and merchants alike.

Security

Interac is a world-class debit payment network with one of the lowest fraud rates globally in debit or credit. All Interac payment solutions use multiple layers of security, including encryption, passcode verification, transaction limits, and offer consumer protections through the Interac Zero Liability Policy.

When a cardholder adds Interac Debit to Android Pay, a Device Account Number is created for that debit card which is unique to the device and distinct from the physical card number. All transactions go through the Interac Token Service Provider (TSP), a proprietary token platform that generates a sequence of numbers valid for a single transaction only. The Interac TSP service was developed in collaboration with IBM, a cognitive solutions and cloud platform company and world leader in mobile, Rambus, a global provider of tokenization software and solutions for mobile payments, and Everlink, a leading provider of comprehensive, innovative and integrated payment solutions and services.



Availability

Interac Debit on Android Pay will be available to all active debit cards issued to consumers by BMO Financial Group, CIBC, Desjardins and Scotiabank, including cards that are not Interac Flash enabled. Starting Monday, consumers with eligible Android Devices running KitKat (4.4) or higher can pay using Interac Debit on Android Pay at hundreds of thousands of merchant locations across Canada, virtually anywhere contactless payments are accepted. Just look for the contactless symbol on the payment terminal at checkout.

Convenience

Using Interac Debit on Android Pay is as simple as holding an eligible Android device in front of a contactless terminal, and if necessary, authenticating by unlocking the device. Interac Debit on Android Pay leverages the trusted Interac brand, which means widespread payment acceptance, an economical payment acceptance choice for merchants, and world-leading fraud detection and protection policies.

CIBC, Desjardins, Interac Association and Scotiabank are members of ACT Canada; please visit www.cibc.com, www.desjardins.com, www.interac.ca and www.scotiabank.ca

5. WHAT CANADA IS DOING TO TRANSFORM THE WAY WE PAY FOR ALMOST EVERYTHING

Source: Financial Post (06/12)

Canadians live in one of the most technologically sophisticated countries on the planet. So why does it still take days, weeks or even months to process a cheque? The wrench in the works is Canada's back-end payment infrastructure. It does the job, but it's getting a little old. Jan Pilbauer is responsible for modernizing it.

Pilbauer is the executive director of modernization and CIO at Payments Canada. The non-profit industry organization operates several systems that handle the back-end heavy lifting needed to settle payments between businesses and financial institutions in Canada. Many small businesses don't accept electronic or online payments, Pilbauer says, and that needs to change. "That's unfortunate because we need to ensure that they're comfortable with this. It will remove friction from payments, and from the performance of our national economy."

The problem lies not with the front-end part of payments processing, where innovations ranging from Apple Pay through to Square, PayPal and Interac eTransfer have transformed how people can send money to each other. The friction is at the back end – what he calls the "national rail" – where merchants and



financial institutions must work together to settle payments between each other. It will remove friction from payments, and from the performance of our national economy. The friction is why credit card payments can take a couple of days to hit a merchant's account, he says, and partly why international cheques can take up to a month to clear.

In mid-2015, Payments Canada started a consultation on the future of payments in Canada. Businesses responded with some key requirements. There had to be more options for payments that show up in near-real time, they said. There should be more visibility into payment status, and easier ways to send and receive money. International payments shouldn't be so painful, and systems should be more flexible, with more options for financial technology companies to get involved. One of the most pressing needs was for more information to accompany payments.

"Small businesses spend enormous amounts of time manually reconciling," Pilbauer says. The only data you can send with a payment is the payer and payee account number, and a value. There are few options to describe what the payment is for. This leaves businesses puzzled as they try to match payments with invoices. One of the recommendations for modernizing the payment system is the use of a standard language to carry more information about payments. Payments Canada's vision document for the modernization process singles out an international standard known as ISO 20022. Once enough Canadian businesses support the standard in their software and online services, it will revolutionize the payments process for small businesses, explains Robert Vokes. He is the managing director of the financial services practice at Accenture Canada, which Payments Canada appointed as a consultant to help lead the modernization program. Vokes gives an example. A sandwich shop orders several kinds of bread from a bakery. The bread arrives, along with a paper invoice. The business typically files that for the bookkeeper to take care of. The bookkeeper pays by direct debit or cheque, and then must manually reconcile the payment with the invoice.

"In the new world, if that proverbial piece of paper tagged to the bread in the morning is [electronically] delivered along with a request for payment, that reconciliation process becomes automated. I as a small business have more confidence in who I'm paying, and for what," says Vokes.

What happens if the bread arrives, but the whole-wheat loaves are stale and the sandwich shop only wants to pay for the buns? The shop owner notes that in her operations software, which would then send the adjusted payment, along with an explanation, back to the baker. Everything would be reconciled for the two companies at the back end with almost no human interaction, in what Pilbauer calls straight-through processing. There is lots of work left to do before Canada's payments system is world class. Vokes highlights the modernization of the Large Value Transfer System (LVTS) as one of the next things on the team's to-do list. Operated by Payments Canada, this is the payments system that settles large-



value, critical transactions such as a down payment on a house. Then, the focus will be on creating real-time payments capabilities, enhancing automated funds transfer (used for things like payroll).

Payments Canada is a member of ACT Canada; please visit www.payments.ca.

6. MONERIS SUPPORTS ANDROID PAY IN CANADA

Source: Moneris (05/31)

Google introduced Android Pay in Canada, enabling Android users with participating cards to make Interac Debit, Visa, MasterCard and American Express credit card purchases with their Android mobile phone or tablet. Moneris Solutions Corporation (“Moneris”), Canada’s leading credit and debit card processor, is pleased to support Android Pay for both in-store and in-app purchases. This digital wallet will help businesses across the country accept more payment types and offer a secure and convenient checkout experience for consumers.

“Moneris processes over 3 billion transactions annually and of that, we predict fifty per cent will be made by contactless cards or devices by year end,” said Jeff Guthrie, Chief Sales Officer at Moneris. “Android is one of the leading mobile platforms in Canada and we are prepared to support our merchants to accept Android Pay today.” Tap-and-go transactions are quickly becoming a standard payment method for Canadian consumers. Moneris’ Q1 2017 quarterly spend report shows a rapid increase of contactless spend with more than 62 per cent growth year-over-year and is expected to continue with the addition of Android Pay in Canada.

“We’re excited to bring the simplicity and security of mobile payments to Moneris customers with Android Pay,” said Pali Bhat, Vice President of Payments, Google. “Starting today, people will be able to use their Android device to pay across mobile apps and at hundreds of thousands of contactless payment terminals in Canada.” Android Pay uses the latest and most advanced payment technology, contributing to faster checkout and improved payment service. Moneris merchants including Federated Co-Operatives Limited (FCL) and Rexall Pharmacy are set to accept Android Pay today and anticipate seeing increased mobile transactions in the coming months as a result.

“We’re committed to providing a superior customer experience, which includes reliable payment options,” said Brad Bauml, Executive Vice-President of Ag and Consumer Business at Federated Co-operatives Limited. “By accepting Android Pay at Co-op locations across Western Canada, we are better positioned to support the payment needs of our customers and working with Moneris, we can provide fast and secure checkout in all of our business locations.” As the sophistication of payment solutions continue to evolve, digital wallets like Android



Pay are at the forefront. Rexall is eager to begin accepting Android Pay and has worked with Moneris to integrate support for it into their payment systems.

“Rexall continuously looks for opportunities to advance our systems and the way we do business,” said Mary Kelly, Chief Pharmacy and IT Officer, Rexall. “We recognize our customers’ appetite for mobile-focused services, so accepting Android Pay is a natural choice and we are excited to be able to offer it in partnership with Moneris.” As a leader in digital payments, Moneris makes its Application Program Interfaces (APIs) and software development kits (SDKs) available to Canadian developers seeking easy Android Pay in-app payment integration for Android mobile apps. In-app payments enable consumers to make one-touch purchases, eliminating the process of entering cardholder information at the time of purchase within apps. Faster purchase processes can help businesses to reduce shopping cart abandonment by half¹, increasing the bottom line of merchants using Android Pay in-app payments. Moneris’ Software Development Kit (SDK) and Application Program Interfaces (APIs) for Android Pay are available today for all developers on the Moneris Developer Portal.

All Moneris payment solutions deployed today offer contactless functionality. Whether the device is integrated or standalone, wired, wireless, or a mobile point-of-sale solution, they can all support tap technology, allowing Android Pay to be accepted anywhere a sale takes place. Setting up a contactless payment system is seamless with the support of Moneris Field Services, offering installation, training and service of Moneris POS solutions. Businesses looking for more information on Android Pay are welcome to contact Moneris at 1-866-MONERIS or visit moneris.com/androidpay.

American Express, Interac Association, MasterCard and Moneris are members of ACT Canada; please visit www.americanexpress.ca, www.interac.ca, www.mastercard.ca and www.moneris.com.

7. OT-MORPHO INTRODUCES THE WORLD'S FIRST COMPLETE RANGE OF BIOMETRIC PAYMENT CARDS

Source: OT Morpho (06/25)

OT-Morpho, a world leader in digital security and identification technologies, announces the creation of the market’s first complete range of biometric payment cards, a range which reinforces payment security. It can also help governments distribute social benefits, knowing that they reach no one else than the eligible (proof of life) citizen. Banks can also use the biometric card as a differentiating factor to keep their card ‘top of wallet’ for their customers.

Further, biometric cards will take contactless payments to the next stage. As a customer authenticates the payment by holding his/her finger onto the biometric card, the added security enables merchants to extend the threshold of



contactless payments, which are currently capped at smaller amounts. Biometric recognition is now available through a fingerprint sensor which has been inserted into a fully EMV-compliant card. The cardholder's biometric fingerprint template is securely stored in the chip of the card. As the card is inserted into/tapped onto an EMV payment terminal, cardholders place their finger onto the sensor and an OT-Morpho algorithm matches the fingerprint to the template stored in the card, replacing the manual entry of a PIN.

“As market leader, OT-Morpho is the first to deploy a full range of cards equipped with biometric authentication enabling both contact and contactless payments. OT-Morpho offers an end-to-end solution, including enrollment, biometric data management, card production and personalization,” said Eric Duforest, OT-Morpho, managing director of the financial services institutions business at OT.

OT-Morpho is a world leader in digital security & identification technologies with the ambition to empower citizens and consumers alike to interact, pay, connect, commute, travel and even vote in ways that are now possible in a connected world. As our physical and digital, civil and commercial lifestyles converge, OT-Morpho stands precisely at that crossroads to leverage the best in security and identity technologies and offer customized solutions to a wide range of international clients from key industries, including Financial services, Telecom, Identity, Security and IoT. With close to €3bn in revenues and more than 14,000 employees, OT-Morpho is the result of the merger between OT (Oberthur Technologies) and Safran Identity & Security (Morpho) completed in 31 May 2017. Temporarily designated by the name "OT-Morpho", the new company will unveil its new name in September of this year.

OT-Morpho is a member of ACT Canada; please visit www.oberthur.com or www.canada.morpho.com.

8. INGENICO GROUP LAUNCHES OPEN PAYMENT SYSTEM IN ITALY

Source: The Paypers (06/21)

Ingenico Group has announced the implementation of the first open payment system in Italy, on the Malpensa Express shuttle line. The Lombard railway company, which owns 2300 trains connecting Milan to the main towns of the region, intended to simplify travels for its customers using the Malpensa Express and increase the number of payment methods accepted on this service. Ingenico's solution includes hardware, software, consultancy and maintenance services. A contactless/NFC payment module, the iUC180B, is also integrated into turnstiles. The solution provides fare payment at the gate and removes the need to wait in line at ticket counters or vending machines.

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

9. MASTERCARD: TURNING REFUGEE CAMPS INTO SMART CITIES

Source: *PYMENTS.com* (06/21)

On a dirt path that passes for a street in a Kenyan refugee camp, a merchant sells grains he bought from a local farmer outside the settlement. To call it an “economy” would be euphemistic, but it’s a living, and it’s enough to support his wife and two children — a family he’s built since arriving at the camp over a decade ago. His story is not unique. On average, refugees spend 26 years in settlements that were built to be temporary. MasterCard and Western Union have spent the past year studying the needs of these international camps-turned-cities. On World Refugee Day, the team announced news of its partnership, with the goal of developing a new model for creating sustainable and scalable refugee settlements.

“When we started looking at what our clients were doing on a day-to-day basis in these refugee communities, we realized they were cities,” said Paul Musser, vice president of International Development for MasterCard. Kakuma in Kenya, one of the settlements studied, hosts over 150,000 people. The world’s largest refugee camp, Bidi Bidi in Uganda, has received almost twice as many, all hailing from South Sudan — where famine, economic collapse and years of fighting have driven residents out.

“It’s one of the biggest cities in Uganda, and it was created in the last 12 months,” said Musser. Bidi Bidi has the advantage of being newer, but in Kakuma — and its offshoot in Kenya, Kalobeyei, as well as many other international settlements (some dating back as far as the 1960s) — the reality is setting in that these people are not “going home.” The camps have become their home. The processes that are in place now may work (mostly), but they were designed for somebody who’s only going to need them temporarily. Now it’s up to hosts to convert those temporary shelters into something that is sustainable and symbiotic with the surrounding host community and to give residents some economic power and autonomy, rather than simply prescribing the food, healthcare and education that outsiders have determined are best.

“Our intent is to chip away at a plane that is flying and rebuild it,” Musser said by way of metaphor. “I can’t damage or in any way jeopardize the machinery that’s feeding people today or schooling children today, but I can start to make replacements.” Digital is going to play a big role in that, according to Musser. Together, MasterCard and Western Union have developed Smart Communities: Using Digital Technology to Create Sustainable Refugee Economies, a blueprint that would combine digital access to remittances, banking, education, healthcare and other basic needs in a unified, trackable way for a developing economy.

Today, when refugees arrive at the camp, they receive a piece of paper denoting their identity and which children are theirs. They obtain meals — pre-constructed and pre-rationed based on the nutrients experts say they need — by punching a paper food card. There is not really a formal economy, though the entrepreneurial types (like the grain merchant) buy and sell with local hosts outside



the camp. Tomorrow, through efforts by MasterCard and Western Union, refugees could be registered using a digital tool instead. Doctors could then identify whether they've seen a patient before, and why, to address ongoing or developing medical issues, or to ensure that children receive the right vaccines. The same platform could confirm children's school attendance. Instead of a flimsy paper food voucher, a digital alternative could be substituted.

"This is stuff that we've tackled years ago and should not be a concern of somebody who's still trying to figure out if they're going home," said Musser. But the most important tool the partnership will give refugees isn't the convenience and ease of digital technology. It's autonomy.

"In so many cases, the refugee model has been, 'We'll put together a camp because there is an in-duress situation, either a natural or manmade disaster, but these people will go home,'" said Musser. "So we're not going to make it permanent; we're just going to make it survivable." That means people aren't as likely to start farms or shops, a natural inclination in any developing economy. Instead, the host becomes responsible for fulfilling all of the refugee's basic needs, from food to healthcare to education.

"It becomes very disempowering," Musser said.

Real cities need real economies, and that's what MasterCard and Western Union are trying to build — but it's easier said than done. A healthy economy enables a mother to buy bread for her child, but it also has to enable the baker to bake the bread, which means paying for his electricity, which enables the electricity provider to keep producing ... and so forth. Participants in an economy are free to spend their earnings how and where they see fit, which might mean buying their food from a local Kenyan or another refugee who has set up a store, thus enabling someone else to participate in the economy.

Musser admits it sounds simple when you say it like that, but building an economy from the ground up takes a lot of work — not to mention getting people to buy in when they are already used to conducting business in a certain way. Refugees have already left security behind. The way things are in the settlement may be the only sense of normalcy they have. Plus, an economy needs rules, and in this case, rules that help rather than hurt the hosting community. It can be an incredible burden to host a refugee settlement. Uganda is feeling the strain as Bidi Bidi just keeps getting bigger and bigger.

Kenya, said Musser, has been generous, but if Kakuma's refugees start spending their money on transportation out of the community to resettle in Nairobi, the Kenyan government probably won't be too happy about it. So maybe there needs to be rules about where money can be spent. Maybe refugees can only spend it elsewhere in the camp or community. Musser is optimistic. Better than that, he's energized, and he has a vision.

“If I can help the city of San Francisco figure out how to speed people along the BART,” he said, “or IBM can figure out how to manage traffic lights, or Western Union and the local banking community can figure out how to make money move within the community — why can’t we do it there?”

MasterCard Worldwide is a member of ACT Canada; please visit www.mastercard.ca.

10. APPLE PAY CASH TO DEBUT THIS FALL AS MOBILE P2P MARKET EXPANDS

Source: Mobile Payments Today (06/06)

One of the worst kept secrets in payments became official Monday when Apple revealed its entry into the person-to-person payments market with an upcoming system that will enable users to complete P2P transactions using iMessage. Apple made the announcement at its annual developers conference in California.

Users can send and receive funds within iMessage, or tell Siri (the Apple voice assistant) to pay someone. Consumers fund transactions with a credit or debit card in their Apple Wallet. Apple stores the funds in a new Apple Pay Cash account, which also comes with a virtual prepaid card by the same name. The company has partnered with Green Dot on this initiative. Fund recipients can keep money in the Apple Pay Cash account, spend it via Apple Pay or transfer it to their bank account.

Apple Pay Cash will be available as part of the iOS 11 update available later this year.

11. FOUR CANADIAN PROVINCES AWARD NEW CONTRACT TO GEMALTO FOR SECURE DRIVER’S LICENSE CARDS AND ISSUANCE

Source: Gemalto (06/01)

Gemalto announces that it won four contracts to provide a new, highly-secure polycarbonate driver’s license in New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island. The Atlantic Provinces sought a provider with a strong position as an innovative partner capable of producing laser-engraved polycarbonate in Canada, in order to bring their residents better identity protection through a more secure driver’s license.

Gemalto will provide its Premium polycarbonate and help transition the provinces from an over-the-counter issuance process to secure central issuance. This not only enables the enhancement of the credential with the advanced, fraud and tamper-resistant security features only possible through central issuance, but



also creates a more efficient process for Registry of Motor Vehicle operators by eliminating on-site printing. In addition to the credential issuance itself, Gemalto will also implement a comprehensive enrollment solution that will include photo capture, digital signature pad, and a facial biometrics recognition system compliant with the latest International Civil Aviation Organization (ICAO) standards. This advanced, end-to-end solution will streamline existing processes and provide a foundation for future supplemental technologies such as an electronic ID (eID) or digital driver's license (DDL).

"The Atlantic Provinces had a strong, unified vision of what we wanted to achieve as a result of this contract and provider evaluation process," said Paula Biggar, Minister of Transportation, Infrastructure and Energy for Prince Edward Island, "We selected Gemalto because their broad experience and security capabilities can improve what we are doing today, and their innovations in technology will help us achieve what we want to do in the coming years."

"We are thrilled to be working with the Atlantic Provinces to create a new opportunity for residents to realize the benefit of the latest card security and durability with their new driver's license," said Steve Purdy, Vice President of Government Programs in North America at Gemalto. "Moving to central issuance will bring efficiencies and improve the customer's experience, both during enrollment and with the day-to-day use of their driver's license or ID card."

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

12. GOOGLE LAUNCHES LOYALTY API

Source: PYMNTS.com (06/05)

Google announced that Android Pay is now in 10 markets with more coming soon. In a blog post, the company said that in addition to partnerships with Visa and MasterCard, it's gearing up to improve the mobile checkout for PayPal users. Among its payment efforts, Google said last week it launched Google Payment API, which lets people make payment in app or online with any credit or debit card saved in their Google Account via Google Play, Chrome and YouTube. With the service users can get through checkout without having to remember payment information. Users choose their preferred credit card, enter a security code with the Android device and make the purchase. Google said in a blog post that developers that use the API can enable easy checkout for their customers.

The internet giant also said that in the next few months people in the U.S. will be able to send or receive payments through the Google Assistant, its voice-activated personal assistant. Users can tell Google Assistant on their Google Home device or Android phone to send a person money, and it will do all the work. All users need is a debit card linked to their Google account.



On top of all that, the company announced a new way for merchants to reward customers. Dubbed Card Linked, the API enhances customer loyalty by providing a new way to deliver targeted offers, said Google, pointing to Panera Bread as one of the first merchants to roll it out on a nationwide level. MyPanera members who save their loyalty card on Android Pay will get offers and get updates about new menu items. The offers are redeemed when customers use their MyPanera account at checkout. Google is also making it easier for Android Pay users to add other loyalty programs to the payment service. The company said as an example Walgreen Balance Rewards members who input their loyalty account with a phone number and use Android Pay will get notifications on their phones to link the loyalty card for future purchases at the drugstore chain. Walgreen has deployed Google's smart tap technology in its more than 8,000 stores in the U.S., Google noted. The company said its working with First Data's Clover to expand the smart tap technology to all sorts of business. With the integration of smart tap in Clover's API, developers can build Android apps for loyalty, coupons and gift card redemption, and features like ordering ahead.

MasterCard is a member of ACT Canada; please visit www.mastercard.ca.

13. CENTRAL 1 CREDIT UNION PARTNERS WITH EVERLINK, CEAMS AND LEAGUE DATA TO MAKE LOCK'N'BLOCK AVAILABLE TO CREDIT UNIONS

Source: Central 1 (06/21)

Everlink Payment Services Inc. announced a strategic partnership with Central 1, CEAMS, and League Data that makes the Everlink Lock'N'Block mobile fraud management solution available to clients across Canada who use the Central 1's MemberDirect Mobile Banking App. Simply put, Lock'N'Block provides cardholders with the ability to control access to their debit cards, when and where they want, through their mobile phone. Cardholders control debit card access by simply logging into their mobile banking app and clicking on the Lock'N'Block icon. The screen will then display a page that shows an image of the card that they have "Registered" and a toggle that will allow the cardholder to "Lock" or "Unlock" their debit card.

Lock'N'Block has been designed with different blocking capabilities. Cardholders can lock their card completely or specifically from international use, while allowing domestic transactions. Lock'N'Block blocks debit card transactions at the Everlink switch level and has been designed to not interfere with other Fraud Management System actions. Lock'N'Block works on Apple and Android devices supported by Central 1, and includes support for Everlink's DebitWear contactless debit wristband.

"At some point, everyone has found themselves in situations where their debit card has been lost, stolen or simply temporarily misplaced. When this happens, we are naturally concerned about unwanted use of our card at ATMs or



POS terminals,” says Mark Ripplinger, President & CEO at Everlink. “We are very pleased that our partnership with CEAMS, League Data, and Central 1 will give cardholders a way to proactively respond in these situations and minimize, if not completely eliminate, unwanted use of their debit card.”

“CEAMS is excited to be working with our co-operative partners to put the power of card management in the hands of credit union members,” says Alister Lowe, General Manager of the CEAMS Association. “The Lock’N’Block feature of mobile apps will help mitigate the impact of card fraud to both credit unions and their members and increase credit union member confidence in new and developing payment methods.”

“League Data is pleased to partner once again with Everlink to offer the Lock’N’Block service, which we feel will help the Atlantic credit unions differentiate their debit card services from the big banks. Lock’N’Block will empower credit union members with complete control of their debit card and provide an additional layer of security. This is an innovative product that we feel will benefit all of the Atlantic System,” says Carrie Forbes, Solutions Director at League Data.

“This collaboration is a prime example of how we can deliver successfully on an idea in digital by leveraging our organization’s platforms to enable credit unions to be successful,” says Chris Dickin, AVP Business Development and Delivery at Central 1. “We very much look forward to continuing and deepening this collaboration for the future benefit of our mutual clients.”

Central 1 Credit Union is a member of ACT Canada; please visit www.central1.com.

14. B2 PAYMENT SOLUTIONS HAS EXPANDED ITS B2 UNIVERSITY COURSE OFFERINGS TO INCLUDE A MASTERCLASS ON ARTIFICIAL INTELLIGENCE IN PAYMENTS

Source: B2 Payment Solutions (05/31)

B2 Payment Solutions and Explicit Selection are excited to announce a partnership to offer a masterclass that focuses on Artificial Intelligence (AI) in Payments. As a newly featured course added to the B2 University, this innovative session provides attendees an overview of practical understanding of artificial intelligence in payments. B2 and the founders of Explicit Selection have been working together for more than 10 years serving the North American market with payment software and dedicated tools, and we are excited to open this course to our customers!

B2 Payment Solutions is a member of ACT Canada; please visit www.b2ps.com.

15. CARDTEK, NXP TO POWER NEW MOBILE WALLET IN UAE

Source: Mobile Payments Today (06/07)

Cardtek, a global payment technologies provider, is collaborating with NXP Semiconductors to deliver the first nationally sanctioned mobile wallet product for the United Arab Emirates, according to a press release. Emcredit, a fully owned subsidiary of the Dubai economy, will launch Empay, a mobile payment platform that offers all UAE residents the ability to pay for a wide variety of goods and services using smart wearable technology or multifunctional devices. Cardtek will provide the payment infrastructure, mobile industry knowledge, operational services and product enhancements to support the Empay platform, according to the announcement. NXP will manufacture and provide the NFC controller and secure element necessary to enable UAE consumers to utilize the service on wearable devices.

"Empay will stand as a significant benchmark in the marriage between payments and wearables, and offer a blueprint for how an entire nation can securely modernize its payment processes — from retail and transit, to ticketing and government services," Ayşe Sarıgöllü, executive chairwoman of Cardtek, said in a statement. "For the first time, consumers will have an integrated platform that offers quick access to number of retail and service options directly from a wearable device, without being tethered to a particular phone manufacturer, telephone company, or third-party provider." As a part of the Dubai Government Smart Initiative, Empay will bring together a number of service providers — including banks, government departments, retailers, educational institutions, and transportation companies — into a common platform where consumers are able to access and pay for services from a single mobile wallet, according to the announcement.

Empay will ultimately enable UAE consumers to make retail payments, initiate money transfers and pay for government utilities — for example, telecommunication and school fees — all from a single mobile wallet. Wearables include a battery and a Bluetooth Low Energy connection, in addition to an NFC interface. This allows communication to the cloud via a mobile phone or "companion device," enabling multiple applications to be dynamically and over-the-air provisioned on the wearable device.

Cardtek is a member of ACT Canada; please visit www.cardtek.com.

16. BANK OF CANADA WARNS OF CYBERATTACK VULNERABILITIES IN FINANCIAL SECTOR

Source: The Globe and Mail, by Mike Blanchfield & Jim Bronskill (06/13)

Canada's interconnected banks are vulnerable to a cascading series of cyberattacks that could undermine broad confidence in the financial system, the



Bank of Canada warns. The structural vulnerability could allow for the easy spread of an initial attack that ripples into other sectors such as energy or water systems, says the bank's June financial review. The report urges banks to co-operate on countering the threats that are not going away any time soon. The former head of the U.S. National Security Agency made the same recommendation earlier this month, saying private-sector companies – including banks – have to do a better job of sharing data on attempted hacks in real time to counter the ongoing challenge.

Retired Gen. Keith Alexander told a defence industry trade show that banks have valuable metadata on attempted hacks embedded in the logs of their firewalls and sharing that information can allow them to more successfully fend them off. Alexander suggested the 2014 cyberattack on the American bank JPMorgan Chase that affected an estimated 80 million accounts could have been prevented if banks had shared information. Canada's central bank expressed a similar concern in its most recent update.

"The interconnectedness of the financial system could lead to rapid transmission of stress from a cyberattack," the report said. "This is a structural vulnerability that is unlikely to go away. And because of the interconnections in the system, the public sector has a role in co-ordinating cyber defences." While those same connected platforms allow the financial services sector to deliver efficient service, they also leave several sectors of the economy vulnerable to attack, said the bank's report.

"Contagion could occur through financial interconnections or common critical infrastructures in non-financial sectors, such as telecommunications, energy and utilities," it said. "A prolonged interruption in financial services, compromised data integrity or a loss of confidence could harm the financial system with knock-on effects to the real economy."

There were eight high-profile cyberattacks on banks in 2016, the report said, including an \$81-million heist at the Bangladesh Bank. The report urges private-sector players to work together because protecting against an attack "has benefits beyond an individual institution and can be considered a public good." The Canadian Bankers Association said recently that its members "constantly update their security systems and protocols to stay ahead of potential threats." The association urged customers to avoid opening suspicious emails and exposing themselves to ransomware, malicious software that locks a user out of their data and demands a ransom for its release.

"Canadian banks are leaders in cybersecurity and continue to invest in cybersecurity infrastructure to protect the financial system and the personal information of their customers from cyber threats," the association said in a May 31 statement. However, the federal government has expressed concerns. Public Safety Minister Ralph Goodale is mindful of cybersecurity in the financial sector,

making a point of meeting on the issue in London last year with former Canadian colleague Mark Carney, now governor of the Bank of England.

“Although banks tend to be more resourced and mature than other sectors in dealing with cyber threats, there are still a number of recognized gaps throughout the sector,” said an internal Public Safety note to prepare Goodale for the meeting. It pointed out that the theft from Bangladesh’s central bank was carried out by breaching the Society for Worldwide Interbank Financial Telecommunications, or SWIFT, used to authorize payments between accounts.

“This is a clear example of where the system was vulnerable,” said the briefing note, obtained through the Access to Information Act. The note also underscored the importance of identifying threats and improving the sharing of incident information. In that vein, the independent, not-for-profit Canadian Cyber Threat Exchange aims to promptly share threat information between Canadian businesses and government agencies, as well as provide cyber threat analysis and advice for reducing risk.

17. G+D MOBILE SECURITY, MURATA, AND STMICROELECTRONICS BRING FLEXIBLE AND EFFICIENT SECURITY SOLUTIONS TO A WIDE RANGE OF IOT DEVICES

Source: Giesecke & Devrient (06/06)

New long-range and low-power IoT (Internet of Things) technologies like Low-Power Wide Area Networks (LPWAN) are enabling new use cases in application areas such as smart cities, smart agriculture, smart manufacturing and work safety. Alongside robustness and availability, security is a key to successful adoption of these new applications. G+D Mobile Security, Murata, and STMicroelectronics have teamed up to integrate cost-effective security features into IoT devices. Available now for a wide range of applications and vertical markets, the joint solution aims to ensure integrity and confidentiality of the data exchanged and allow the distribution of LPWAN keys in a fully secure manner.

The number of devices connected to the Internet is steadily increasing, and they are often used in a broad range of critical systems. Non-cellular connectivity, such as through LoRaWAN, will play an important role in vital IoT applications. Non-secure devices in these important systems are an easy target for manipulation and attacks and therefore pose a serious risk to the application and indeed the whole infrastructure. The new solution by G+D Mobile Security, Murata, and STMicroelectronics makes it easy to integrate security already at the device production facility, adding value to the product and protection to the IoT ecosystem in an efficient and convenient way.

The solution consists of G+D’s Key Management System that relies on an STSAFE-A secure element attached to an STM32 general-purpose



microcontroller, both from ST, built into a compact, cost-efficient LoRaWAN module designed by Murata. The joint offering forms the basis of a secure LoRaWAN ecosystem that provides end-to-end device security, an easy onboarding and lifecycle management of the LoRaWAN module, easy network deployments and tracking, as well as data privacy and integrity. The solution will be available for trials starting 7 June, 2017.

“G+D Mobile Security is a technology leader in secure ID management, and it is only logical for us to extend our proven expertise in payment and telecommunication to the IoT market, where we see an increasingly urgent need to secure the IoT ecosystem. Our Key Management System can authenticate, manage and monitor an IoT device throughout its lifecycle, and our partner solution with Murata and STMicroelectronics is an easy way for IoT device manufacturers to implement security,” says Carsten Ahrens, CEO of G+D Mobile Security.

Akira Sasaki, General Manager IoT Module Products at Murata, adds: “It is very important to us to enable our customers to secure the IoT ecosystem. This partner offering, developed with trusted security and technology experts like G+D Mobile Security and STMicroelectronics, addresses this requirement and shows that implementing security in the IoT can be easy, scalable and cost effective, to the benefit of our customers and the entire LoRaWAN IoT ecosystem.”

“ST is cooperating with G+D Mobile Security and Murata to offer LoRaWAN best-in-class secure solutions. Based on highly secure hardware, our solution ensures integrity and confidentiality of any communication through secure handling and storage of the secrets,” adds Laurent Degauque, Secure Microcontroller Marketing Director, Microcontroller and Digital ICs Group at STMicroelectronics.

Giesecke+Devrient is a member of ACT Canada; please visit: www.gi-de.com.

18. ICC SOLUTIONS RELEASES THE UPDATED INTERAC U.S. TEST SUITE

Source: ICC Solutions (06/13)

ICC Solutions is delighted to announce the release of the updated INTERAC U.S. Test Suite, hosted on the industry leading ICCSimTMat test tool platform, which has been fully tested and registered by Interac Association. This test suite enables Acquirers, VAR's, ISV's and Merchants to perform EMV level 3 contact chip terminal integration tests to achieve formal accreditation with Interac Association prior to deployment in the U.S. The INTERAC U.S. Test Plan contains the test cases to be performed by Acquirers, ensuring that U.S. Merchants chip terminals operate correctly in alignment with INTERAC requirements for the U.S.

Interac Association is a recognised leader in debit card services having secured a solid foundation in the Canadian payments market which facilitated the



development of the INTERAC Test Suite for the U.S. marketplace. Derek Ross, Head of Sales and Business Development at ICC Solutions, commented: "Being registered by Interac Association for the INTERAC U.S. Test Suite allows ICC Solutions to further expand our extensive portfolio of EMV migration test suites. As a recognised and trusted name in the U.S. payments market, clients are assured of our commitment to implement new technologies and payment brands as they come to market enabling consistent and efficient certification test campaigns."

ICC Solutions and Interac Association are members of ACT Canada; please visit www.iccsolutions.com and www.interac.ca

19. BANKS MAKE MAJOR P2P PUSH AS FIS START ADDING ZELLE

Source: Mobile Payments Today (06/12)

Financial Institutions behind the Zelle person-to-person payments network from Early Warning Services will begin in earnest to add the feature to their mobile banking apps, according to a press release from Early Warning. Beginning this week and continuing on a rolling basis over the next 12 months, Zelle will become available in the mobile banking apps of more than 30 banks and credit unions, including Bank of America; Capital One; Citi; Chase; SunTrust Bank; TD Bank; USAA; U.S. Bank; and Wells Fargo. In addition to working directly with financial institutions, Early Warning has established strategic partnerships with payment processors including Co-op Financial Services, FIS, Fiserv, and Jack Henry and Associates. These relationships will allow millions more consumers to experience Zelle through community banks and credit unions, according to the announcement.

"Fragmentation has been frustrating for consumers. Inconsistent experiences have made it difficult to send and receive money between banks," Early Warning CEO Paul Finch said in a statement. "Zelle unites the financial community behind a single, real-time P2P payments experience for millions of consumers. Together, we are removing friction from finance, allowing money to move seamlessly between accounts in minutes. This revolution in money movement will create for consumers a viable alternative to checks and cash."

Early Warning officially introduced Zelle last year at the annual Money2020 conference in Las Vegas. No word yet when the company will release a separate Zelle mobile app for consumers to download and use.

TD Bank is a member of ACT Canada; please visit www.td.com.



20. CPI CARD GROUP DRIVES INSTANT ISSUANCE INNOVATION WITH INTRODUCTION OF PRECISION BY CARD@ONCE

Source: Business Wire (06/01)

CPI Card Group in partnership with Evolis announced the release of Precision by Card@Once, featuring even faster card processing times paired with higher resolution printing capabilities. As banks and credit unions look to enhance the customer experience through the branch environment, CPI Card Group has played a key role in supporting their efforts to transform through its Card@Once instant issuance programs. Today, financial institutions nationwide leverage the solution to print more than 3.6 million cards a year, on-demand, for their customers. The pace and level of market adoption suggest a growing demand for the technology's features and functionality, all of which are more advanced and robust in Precision by Card@Once. The new printer includes a color touch screen display which allows users to more easily track the progress of the printing process and manage any maintenance updates as needed. The visual impact of printed cards is enhanced through the solution's high resolution capabilities and data security is ensured through a dual access control locking mechanism, requiring a trackable physical key and an access code.

The system also embeds a new technology which has been patented by Evolis. The KINECLIPSE process is a world premiere for direct-to-card printers. KINECLIPSE masks any residual sensitive card holder information on printing ribbons – eliminating the need for financial institutions to shred them. With these security functions, the system ensures ultra-secure issuance of cards and complies with the international security guidelines for the instant issuance of payment cards in bank branches.

“Financial institutions today are actively looking for ways to more directly engage their customers within the branch,” said Jean-Charles Pichon, Key Account Manager at Evolis. “Precision by Card@Once delivers the speed, quality and user experience that issuers need for an effective instant issuance program, while considerably reducing the wait time for customers to receive a fully functional payment card in the branch.”

“CPI Card Group has a proven history of driving innovation within our industry and this commitment is readily apparent in the development of the Card@OncePrecision printer,” said Lane Dubin, Senior Vice President of Sales and Marketing at CPI Card Group. “We work closely with our customers to provide programs that support their strategic initiatives and our instant issuance solution has been thoughtfully designed to enhance the branch experience for customers and staff alike.”

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

21. CANADIAN RETAILERS VIEW MOBILE COMMERCE AS 'WAY OF THE FUTURE,' SAYS REPORT

Source: Mobile Syrup (05/31)

Mobile commerce has grown rapidly in recent years, with many consumers going to websites and dedicated apps to make purchases. According to Canadian retailers, this method of shopping is "the way of the future," and it is essential that mobile technologies are adopted to meet consumer demand. The findings come from the fifth annual Canadian Retail Insights Report conducted by Harris Poll on behalf of American Express. Between March 7th and April 5th, 2017, the report surveyed 375 Canadian restaurants, grocery stores, gas stations and general retailers.

According to the report, 88 percent of businesses said competition in their respective industries has never been higher, with 74 percent saying they've had to work harder than in the past to retain customers. As a result, 91 percent of businesses said they've been focusing on differentiating themselves from the competition in a variety of ways including mobile service offerings. To that end, 76 percent of retailers said they believe that mobile commerce is "the way of the future." The fast food industry, in particular, had at least 90 percent of businesses who shared this belief.

"Canadian retailers are listening to what their customers want, and what they're hearing is that consumers are demanding more from their shopping experience," said Kerri-Ann Santaguida, vice-president and general manager of merchant services for American Express Canada, in a press release.

"Mobile has had a profound impact on the digital shopping experience. The modern consumer has a global marketplace in the palm of their hand 24/7, and this creates opportunity to engage with them at so many more touch points," Santaguida added. "Creating a mobile commerce strategy that includes intuitive app experiences and mobile responsive design enables consumers to connect with you when and where they want to." Additionally, 91 percent of Canadian retailers who have adopted mobile payment technologies in the past 12 months noted that doing so was essential to remain competitive, compared to 75 percent who said so in 2016. Mobile payments are likely only going to get bigger, too, with Android Pay launching on May 31st in Canada.

However, while many retailers say they are on board with these technologies, they aren't quite ready to actually implement them. Out of all the businesses who haven't adopted new payment tech in the past year, the fast food industry was the most likely to do so. Thirty-one percent of these businesses said they will invest or improve their mobile payment options in the next 12 months, while numbers were significantly less for other industries, including gas (six percent), restaurant (11 percent), general retail (12 percent) and grocery (16 percent).



"It is surprising how low these adoption rates are, when online technologies have also been listed as a source of increased competition," Santaguida said in the press release. "In order to remain competitive retailers will need to meet the changing consumer demands."

American Express Canada is a member of ACT Canada; please visit www.americanexpress.ca.

22. ELAVON AND GOOGLE BRING ANDROID PAY TO CANADIAN CONSUMERS

Source: Elavon (06/08)

Consumers across Canada can now "tap and pay" using their Android devices. Elavon, a leading payments solution provider in Canada, has partnered with Google to enable the Android Pay mobile payments technology at merchant locations across the country.

"We're excited to bring the simplicity and security of mobile payments to Elavon customers with Android Pay," said Pali Bhat, Global Head of Payment Products at Google. "People throughout Canada can now use their Android device to pay at hundreds of thousands of contactless payment terminals in the country." More than 80 percent of Canadian wireless subscribers have a smartphone, more than half of which run a version of Android as their operating system, according to the 2015 Canada Digital Future in Focus findings from comScore. That was up from 44 percent using Android systems the year before.

For consumers, it's as simple as tapping their Android device to pay. First, consumers should download the Android Pay app and set it up by adding an eligible credit or debit card. Android Pay then works at any Elavon merchant that currently accepts contactless transactions on the point-of-sale (POS) terminals. Consumers simply wake their phones and place it near the contactless reader. The payment information is then securely passed to the point-of-sale system. For merchants, Android Pay offers fast payment acceptance and the ability for consumers to add loyalty programs and special offers. Android Pay transactions are also protected by multiple layers of security. When a consumer adds a credit card to Android Pay, the actual card numbers are not stored on the device. Instead, a unique virtual account number is assigned to the card and stored on the device.

Mia Huntington, senior vice president and general manager of Elavon Canada, said, "Elavon has been an early supporter of mobile payments, and Canadians continue to demonstrate their interest in adopting new payment technologies. By using Android Pay, Canadians can leave their credit cards at home, tap to pay with their mobile device at their favourite merchants, and know that those transactions are processed on systems with multiple layers of security."



In addition to Canada, Elavon offers Android Pay acceptance in the U.S., U.K., Ireland and Poland and it continues to support Android Pay as it rolls out globally.

Elavon Canada Inc. is a member of ACT Canada; please visit www.elavon.ca.

23. DISCOVER CARDMEMBERS CAN NOW MAKE PAYMENTS USING SAMSUNG PAY

Source: Discover (06/27)

Discover cardmembers can now make payments in the United States using Samsung Pay on the latest Samsung Galaxy smartphones and wearables. Samsung Pay works at payment terminals that use both Magnetic Secure Transmission (MST) and Near Field Communication (NFC) technology. Discover cardmembers can make payments using Samsung Pay at any merchant location where Discover cards are accepted and where the merchant also accepts Samsung Pay.

“The ability to use Samsung Pay provides Discover cardmembers with yet another innovative and convenient way to pay,” said Diane Offereins, Discover’s president of payment services. “As a growing number of consumers use their mobile devices to make every day purchases, we continue to expand our digital services so cardmembers have more choice in how they use their Discover cards.”

“We’re excited to give Discover cardmembers the opportunity to enjoy the benefits of a truly digital wallet,” said Nana Murugesan, VP/GM of services and new business at Samsung Electronics America. “Now, Discover cardmembers can shop with the security and simplicity of Samsung Pay, by accessing their Discover card, right alongside membership cards, while enjoying nearby deals, and best of all, leaving bulky wallets at home.” When using Samsung Pay, cardmembers continue to receive the same benefits and services that they have come to expect from Discover, like flexible rewards, 100% U.S.-based customer service and protection against unauthorized purchases on their Discover card.

In addition to Discover Cashback Bonus and Miles rewards, cardmembers can also earn Samsung Rewards points when they use Samsung Pay. With Samsung Rewards, cardmembers can redeem the points they earn for Samsung products, gift cards from favorite stores, and entry into instant-win giveaways of trips and other exciting prizes. Samsung Pay is available on the latest Samsung Galaxy devices and wearables including: Galaxy S8, Galaxy S8+, Galaxy S7 edge, Galaxy S7, Galaxy S6 edge+, Galaxy Note5, Galaxy S6 edge, Galaxy S6, Galaxy S6 active, Gear S2 (with NFC only) and Gear S3.

Discover Financial Services is a member of ACT Canada; please visit www.discover.com.



24. PAYPAL ADDS NEW INSTANT TRANSFER OPTION TO CHECKING ACCOUNTS

Source: Mobile Payments Today (06/22)

PayPal is on the verge of making it possible for its U.S. customers to instantly transfer funds to their bank accounts via eligible debit cards linked to their PayPal account, according to an announcement from the company. The move is a new feature made possible through the partnerships PayPal announced last year with Visa and MasterCard. PayPal will charge customer 25 cents per transfer for the new feature, according to a blog post from the company.

"We expect that funds will typically be available in your bank account in a matter of minutes, although some banks may take up to 30 minutes," Bill Ready, executive vice president at PayPal, wrote in the blog post. "Our beta of this is now available to select PayPal users and will be made available to all U.S. PayPal users with eligible Visa or MasterCard debit cards over the coming weeks and months."

25. PSCU PARTNERS WITH ETHOCA TO IMPROVE CARD NOT PRESENT FRAUD LOSS RECOVERIES FOR CREDIT UNION MEMBER-OWNERS

Source: Ethoca (06/07)

PSCU is proud to announce a partnership with Ethoca to help reduce losses from card not present (CNP) fraud. According to the Ecommerce Foundation, global B2C ecommerce turnover grew from \$2.3 trillion in 2015 to \$2.7 trillion in 2016, and the pace continues to accelerate. Coupled with the increasing shift in fraud to the CNP channel in the wake of the U.S. EMV migration, it is not surprising that all card issuers, including credit unions, are increasingly concerned about the cost to recover CNP fraud losses. Aite Group estimates these losses are on track to rise from \$2.9 billion in 2014 to \$6.4 billion in 2018. PSCU turned to Ethoca for an alternative to recover these losses – including low value transaction write-offs and 3-D Secure transactions.

With Ethoca Alerts, cases of confirmed fraud reported by PSCU Owner credit unions are sent to Ethoca for immediate distribution to more than 5,200 leading ecommerce merchants worldwide, covering more than 205,000 merchant descriptors. These merchants act on alerts immediately by stopping the fulfillment of fraudulent orders and issuing cardholders a refund. This faster, more efficient process takes just hours instead of weeks, preventing criminals from monetizing their crimes. Credit unions can now expedite the recovery of fraud losses – all while ensuring a better experience for cardholders.

"PSCU engaged in a successful pilot of the Ethoca Alerts service and determined there was significant value and cost avoidance for our members," said Jack Lynch, PSCU's SVP, and Chief Risk Officer. "As card not present fraud continues to rise, PSCU looks to the future and a continuing partnership to



capitalize on the long-term value that comes from participating in Ethoca's global collaboration network."

"Our partnership with PSCU means that not only will their hundreds of credit union Member-Owners benefit from the value of the Ethoca collaboration network, but so also will our thousands of other issuer and merchant participants," said Jason Howard, EVP Sales at Ethoca. "As our network continues to grow and merchant adoption increases globally, PSCU is poised to get even more value from the Ethoca Alerts service in the future. It is our privilege to support PSCU's credit unions at a time when fraud continues to increase and cardholder experience is top of mind."

Ethoca is a member of ACT Canada; please visit www.ethoca.com.

26. PUNCHH BRINGS RESTAURANT LOYALTY TO APPLE WALLET

Source: Mobile Payments Today (06/23)

Punchh, a cloud-based technology platform that builds engagement, loyalty and superior, customized experiences in the restaurant industry, has announced that Apple Pay users visiting participating restaurants will soon be able to not only pay for their purchases, but earn and redeem rewards and loyalty points using Apple Wallet. Punchh said in a press release that its Restaurant Marketing Cloud is the first platform that bridges the gap between restaurants and customers, empowering restaurants to shape personalized offers that attract and engage more meaningfully with loyal customers. Punchh's clients include more than 85 leading restaurant chains such as Coffee Bean and Tea Leaf, El Pollo Loco, Moe's Southwest Grill, Pieology, Quiznos, and Smashburger.

"Consumers expect rich, digital experiences when they engage with the brands they love, and that includes being able to pay with their iPhone," Shyam Rao, Punchh CEO, said in the release. "By offering Apple Pay with Punchh-powered restaurant loyalty programs, we are not just facilitating a faster, easier and more secure method of payment to the industry, but enabling restaurants to tailor their experience in a way that drives increased visits and sales. It's an industry game changer." Brands including Smashburger, Quiznos, and MOD Pizza will be offering Apple Pay with the Punchh integrated solution starting later this year.

"By adding Apple Pay to our Punchh-powered mobile app, it will not only be easier for customers to pay with their iPhone, but join our loyalty and rewards program to start earning and redeeming points immediately," David Martinelli, senior director of marketing at Smashburger, in the release. "Since Apple Pay users will be prompted to join our loyalty program upon payment at the register, we believe that the opportunity to drive revenue growth through repeat visits and higher sales is enormous."



27. CIBC INTRODUCES FREE MOBILE CREDIT SCORE FOR CLIENTS - A FIRST FOR A MAJOR CANADIAN BANK

Source: CNW (06/02)

To help clients build a better understanding of their overall financial well-being, CIBC is working with leading fintech Borrowell and Equifax Canada to provide Canadians unlimited free access to their educational credit score through CIBC mobile banking, anywhere, anytime. Available through the CIBC Mobile Banking App, clients can access their Equifax credit score which will be updated quarterly, allowing them to track their financial standing over time. In addition, they will have access to important information on factors that affect a credit score and advice on how to improve it.

"As we continue building a personalized digital banking experience for clients, we are also delivering technology that can help clients make informed financial decisions when, where and how they want," says Aayaz Pira, Senior Vice President, CIBC Digital, Retail and Business Banking. "With a simple tap on their mobile banking app, clients can easily access their credit score, allowing them to have a full-picture of their overall credit health, and better control of their finances." Recent CIBC research reveals that the majority of Canadians recognize the importance of knowing their credit score to safeguard against fraud, yet more than two-thirds do not know their credit score (69 per cent). Two-in-five (45 per cent) say they have no idea where to obtain their credit score. Using Borrowell's online platform drawing on credit bureau data compiled by Equifax, CIBC's safe and secure Free Credit Score service is considered a "soft" credit inquiry, meaning it won't negatively impact a client's overall score. This speaks directly to almost half of Canadians (49 per cent) who said they fear checking their score will result in negative implications on their credit.

"Knowing your credit score is important, particularly if you're planning to purchase a new home or car, or if you are new to Canada and working to establish your credit," says Bijal Patel, Executive Vice President, Products, Retail & Business Banking, CIBC. "Clients can better plan for the future by having an up-to-date view of their credit score and then start a conversation with an advisor to help them achieve their goals." Today's announcement furthers CIBC's commitment to broadening mobile banking beyond transactions. By adding mobile features that speak to a client's full financial picture, CIBC is taking a broader view of what mobile means to client relationships. "There's no question clients look to mobile to get their routine banking transactions done quickly and conveniently," adds Pira. "Increasingly, clients also want a mobile banking experience that offers deeper insights into their overall finances keeping them connected to the big picture, and new services like free credit score make that a reality." Launching on mobile first, free credit score will be available online for all CIBC clients later this year.

CIBC is a member of ACT Canada; please visit www.cibc.com.

28. G+D MOBILE SECURITY ACQUIRES CPS TECHNOLOGIES FROM OT-MORPHO

Source: Giesecke & Devrient (06/09)

G+D Mobile Security has signed an agreement to acquire the personalization bureau CPS Technologies from OT-Morpho. This completes G+D Mobile Security's comprehensive offering for the French market. The closing of this transaction is subject to regulatory approvals. G+D Mobile Security expects to benefit particularly from CPS Technologies' high-tech bank card personalization and service management center. CPS Technologies provides delivery and card personalization, identification, transport and loyalty services. The company was founded in 1992 and is based in Craponne, France (close to Lyon). Since end of 2012, CPS Technologies operated as a subsidiary of Safran Morpho.

"With the acquisition of CPS Technologies, G+D Mobile Security underlines its strategic commitment to the French payment card market," states Carsten Ahrens, CEO of G+D Mobile Security. "We are looking forward to leveraging the strong service capabilities of CPS Technologies combined with our innovative digital payment solutions. By developing our local personalization capabilities, French bank customers can directly benefit from fast reaction times and fast deliveries in line with the service commitment and technical leadership of G+D Mobile Security."

"We consider this acquisition as a unique opportunity and we are happy to join a global technology leader in payment and communication," says Philippe Delanoue, CEO of CPS Technologies. "We share many values with G+D Mobile Security – trust, reliability, high sense of quality – and our entire team is convinced that jointly we will bring additional value to the market."

Giesecke+Devrient and OT-Morpho are members of ACT Canada; please visit www.gi-de.com and www.oberthur.com.

29. INGENICO EPAYMENTS PARTNERS WITH FRENCH FINTECH COMPANY SLIMPAY ON SEPA DIRECT DEBIT

Source: Ingenico (06/27)

Ingenico ePayments, the online and mobile commerce division of Ingenico Group announced that it has teamed up with French recurring payments specialist Slimpay to support a SEPA Direct Debit (SDD) solution the company is developing for online merchants to simply and securely create and manage the e-mandates required to process SDD payments. With the partnership, SlimPay joins a rapidly expanding ecosystem of exciting and innovative FinTech companies that work closely with Ingenico to jointly develop new solutions for online merchants.



Since PSD1 enabled Direct Debit processing in online mode for the entire SEPA-zone in 2014, this payment method has been steadily growing in popularity among consumers. However, for merchants processing SDD online can be challenging, because of the need for an online mandate and e-signatures. This mandate is the proof of the relation between the merchant and his customer, and gives the merchant the explicit approval to debit the account of his customer with the amounts due. Having a valid mandate is an important element to minimize risk of chargebacks when processing SDD transactions. In order to simplify this process for merchants, Ingenico ePayments is developing a new state of the art Mandate Management and e-signature solution using SlimPay's industry-leading technology.

"With the subscription economy growing faster year over year, providing high and dedicated value added to merchants is crucial for them and for their customers. As a pioneering leader in the recurring payments industry, SlimPay is delighted to partner with an highly regarded and global market leader such as Ingenico. We strongly believe that our innovation-based alliance will be a key asset for merchants to embrace this exciting market evolution." said Jérôme Traisnel, Chief Executive Officer of Slimpay.

"The ongoing strength of electronic commerce and industry innovation will fuel further growth in electronic payment volumes in Europe. However, SEPA and new EU regulations such as PSD2 are set to exert a considerable influence on the European payments market over the next few years. As such, compliance will be an important issue for merchants who want to take full advantage of the opportunities that the SEPA zone represents," said Ludovic Hourri, vice president, Product at Ingenico ePayments. "To provide our clients with the best possible solutions, we are working closely with innovative FinTech companies such as SlimPay, who have developed industry-leading technology that will enable us to remove friction for our clients and lets them accept SEPA Direct Debit payments with a minimum of fuss."

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

30. THREATMETRIX, GEMALTO PARTNER TO IMPROVE DIGITAL SECURITY

Source: Mobile Payments Today (06/09)

ThreatMetrix and Gemalto recently announced a new partnership to provide their customers with the combined benefits of their authentication and digital identity products, according to a press release. The partnership covers institutions worldwide and will focus on delivering "holistic" authentication to the financial services segment, including banks, payment services providers, credit card networks, international payment transfer companies and fintech companies.



"Authenticating digital identities has become essential for the financial services industry," Pascal Podvin, senior vice president of field operations for ThreatMetrix. "This allows financial institutions to deliver superior customer experiences while driving online revenue growth. Crucially, this also prevents massive losses from rising fraud attacks, particularly in cases of identity spoofing." The companies said in the announcement that integrating the unique insights from the ThreatMetrix Digital Identity Network with Gemalto's authentication products will help protect online customers from external attacks, while striking the balance between a user-friendly and secure online experience.

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

Our members' world is all about the evolution of payments and the ever increasing importance of digital identity. Since 1989, we have attracted new and established players from every corner of the global market: issuers, acquirers, merchants, payment networks, and those who support them with products and services. We bring people together at more than 40 events and meetings annually, including forums where members resolve targeted issues and identify opportunities. In a world awash with information overload, we create clarity by connecting people, enabling dialogue and driving insights. Please visit www.actcda.com or contact our office at 1 (905) 426-6360.

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ACT Canada is the place to be to:

Filter the truth from market noise

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Because stakeholder dialogue helps you make profitable decisions.