



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

In This Issue

1. Editorial - what did you say?
2. Apple Pay expands in Canada with support from major banks for debit and credit cards
3. Tangerine first bank in Canada to launch 'eyeverify', 'vocalpassword' and in-app secure chat
4. New app lets Canadians apply for a mortgage with a tap of their smartphone
5. Samsung Pay supports membership and loyalty cards (in the USA)
6. ICC Solutions announces innovative test tool automation feature
7. VISA to launch contactless payment wristbands at Eurovision Contest in collaboration with Gemalto
8. Walmart Pay goes live in 600 stores
9. Masterpass and the digital wallets refresh
10. FIME announces global tool qualified for MasterCard cloud-based payment mobile application testing
11. Tidal boosts global expansion, peak transaction processing capabilities with exclusive Ingenico ePayments partnership
12. Is bitcoin-related fraud ever going to end?
13. TSYS introduces new innovative virtual payment solution
14. ACCEO Tender Retail payment solution receives EMV certification with Vantiv on VeriFone MX series of payment terminal devices
15. Jetco selects Gemalto to roll out secure peer-to-peer mobile payments in Hong Kong
16. Kohl's first retailer melding Apple Pay, store charge card, loyalty program
17. What is the next big thing in payments?
18. ICC Solutions wins second prestigious export award in a month
19. Android Pay's 360° view of commerce



20. Colombia selects Gemalto strong authentication solution to secure citizens access to financial services

21. Run and pay? Fitbit acquires wearable payments assets from Coin

ACT Canada Partners

INGENICO - *Point of Sale Equipment Partner*

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

INTERAC - *Payment Network Partner*

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

PAYMENTS BUSINESS - *Media Partner*

New and Renewing Members

Principal Member

Moneris Solutions ~ member since 2011

General Member

CanCard Inc. ~ member since 2008

Consult Hyperion ~ member since 2013

Oberthur Technologies~ member since 2005



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

Payments Bootcamp

Jun 13, 2016

Marriott on the Falls, Niagara Falls, Canada

www.cardware.ca/program/payments-bootcamp.html

ACT Canada Members receive a 20% discount

Fintech Pitches

Jun 13, 2016

Marriott on the Falls, Niagara Falls, Canada

www.cardware.ca/program/fintech-pitches.html

Cardware 2016

Jun 14 - 15, 2016

Marriott on the Falls, Niagara Falls, Canada

www.cardware.ca

ACT Canada Members receive substantial discounts by using their member rate

Cardware Update

The times when companies invest in innovation are always risky. Successful investments make careers and bad investments can certainly derail them. How do you make sure you are guiding your executives towards the "winners"? If you could put together the industry leaders to provide their insights on what to do and what to avoid, would you take advantage of their knowledge? Of course you would. So, you need to decide where to be June 14th and 15th because Cardware is the only place where you'll find insiders discussing strategy and innovation. They'll debate issues and answer some frank questions.

- Does the blockchain process provide enhanced operational efficiency or not? Does it provide better security than our existing process? Or, in 2 years will we look at blockchain as an expensive diversion. What will you say when your company asks?



- Does biometric authentication do more than reduce risk? Could it open new revenue opportunities? If the answer is yes, don't you want to know?
- What does Samsung Pay plan for the Canadian market?
- What problem does faster payment solve? How fast is fast? How much will it cost and who pays? Who will be negatively impacted? If your organization is one that will be adversely affected, you need to know.
- How do possibly build an ROI when you have both millennials and boomers with different expectations?
- How will the Toronto Financial Services Alliance improve this market?
- Will five new fintech products change your plans?
- and so many more questions.

Come prepared to ask your own.

This isn't a 2 day event where people stand at the podium to pitch their products. It is a once a year gathering of the people who shape your market. You deserve to be there and your company deserves the benefit of the insights you'll bring back. For the full line up, see www.cardware.ca/program/ and don't forget the Payments Bootcamp, Fintech event and networking meetup on Monday June 13th. For a full list of events, exhibitors & sponsors visit www.cardware.ca

Articles

1. EDITORIAL - WHAT DID YOU SAY?

Source: Catherine Johnston, CEO, ACT Canada (05/31)

I wrote this editorial at Money 2020 in Europe. Yes, I know that was two months ago, but the message is still valid.

We are one full day into the program and I'm coming to realize that we have some disturbing things in common with our European colleagues. Topping my list is fuzzy terminology. The term fintech means different things to different people and that is problematic. It is like watching 5 people trying to develop a transportation plan for a city when one thinks transportation means cars, while the others individually think it means trains, boats, busses and hovercrafts. How do you reach consensus when the car person thinks that only cars are being discussed and can't understand why anyone would want to build runways for cars? There is nothing wrong with the term fintech but we need more terms to be able to accurately describe specific fintech models.

Then there is the term "banking". I've heard it used several times when it was payment, not banking, that was being discussed. It is dangerous to ignore the fact that customers rely on their financial institutions for much more than payment products. We have both challenges and opportunities ahead, but we can't deal



effectively with either of them if we don't know what other people are actually talking about.

I've also heard two things that really resonated with me. Both millennials and seniors are concerned about being protected from payment data and identity theft. Seniors are willing to pay their FIs for it and millennials simply expect their FIs to provide it. The second was that Amazon is not in the payment business, but is in the trust business. I would say that we are all in the trust business, but we could be more effective in leveraging that fact. The single thing that impressed me the most was found in the exhibit hall. Companies that invested significantly to be there were not, for the most part, exhibiting anything. They were sitting and talking with attendees and that is exactly what should be happening. Listening and talking is essential at this stage of the payments market.

Will you be doing that at Cardware June 14th and 15th?

2. APPLE PAY EXPANDS IN CANADA WITH SUPPORT FROM MAJOR BANKS FOR DEBIT AND CREDIT CARDS

Source: IT Business (05/10)

Millions more Canadians could finally have access to Apple Pay, with the Cupertino, Calif. tech giant announcing today that the big five national banks, and payment networks Interac, Visa, and MasterCard have all pledged to support the mobile payment system. Until yesterday, Apple Pay was available in Canada only to American Express cardholders, not including those issued by Scotiabank, and without the support of any of the country's five leading banks, limiting the potential market considerably. But now Interac says that it will be able to start supporting Apple Pay on cards issued by the Canadian Imperial Bank of Commerce (CIBC) and the Royal Bank of Canada (RBC), with Interac cards from BMO Financial Group, Scotiabank, and TD cards to be supported soon.

Also, MasterCard will support Apple Pay with cards issued by RBC, CIBC, Canadian Tire Bank, and ATB Financial. BMO customers will also be able to use Apple Pay with MasterCard in a few weeks, according to a press release, and in the coming months BMO, TD and Scotiabank will add the service for Visa cards.

American Express, Canadian Tire Bank, CIBC, Interac, MasterCard, RBC, Scotiabank and Visa are members of ACT Canada; please visit www.americanexpress.ca, www.myctfs.com, www.cibc.com, www.interac.ca, www.mastercard.ca, www.rbc.com, www.scotiabank.ca and www.visa.ca. CIBC, Interac, RBC and Scotiabank are speaking at Cardware. American Express, Interac and MasterCard are sponsors at Cardware; see www.cardware.ca for event details and speaker line up.



3. TANGERINE FIRST BANK IN CANADA TO LAUNCH 'EYEVERIFY', 'VOCALPASSWORD' AND IN-APP SECURE CHAT

Source: *Tangerine (05/26)*

Tangerine is pleased to announce the launch of its new Mobile Banking app for iOS, a rebuild that includes innovative, first-to-market technologies like EyeVerify's Eyeprint ID, Nuance VocalPassword and in-app Secure Chat. Available now through the Apple App Store®, this upgrade completely transforms Tangerine's Mobile Banking app experience through simpler, safer and more intuitive interactions that will improve the way Clients manage their everyday banking while on the go. "At Tangerine, we're focused on our Clients and their experience with us. Millions of Canadians are looking to their mobile devices to fulfil all of their banking needs. Tangerine has always been the mobile and internet leader in the Canadian financial space and we're ready to change the game for Canadians. We have taken our award-winning 4.5-star rated app and made it even better," explains Peter Aceto, President and CEO of Tangerine. "Learning from the feedback provided by our Clients, we have brought to Canadians years of research and the latest tested technologies and functionalities to provide a global, leading mobile banking experience that's safe, secure and incredibly convenient."

An industry leader in innovation, Tangerine's latest release allows Clients to have a completely seamless everyday banking experience without ever leaving the app. Tangerine is the first Canadian financial institution to bring Secure Chat to mobile, following the launch of Secure Chat through their website in January. Since Clients enter a chat session once securely logged in through the app, they can get help from a live Associate to complete actions like changing an address or making a lump sum payment on their mortgage. EyeVerify uses the Eyeprint ID technology for speedy Client identification within the new Mobile Banking app. VocalPassword, a development by Nuance, is a voice authentication technology that allows Clients to access their Account by saying a simple phrase. These brand new biometric technologies, never before used by a Canadian financial institution, means that accessing your bank account is now just an eye-scan or quick phrase away.

"Creating a secure, simple, top-notch experience for our Clients is always our first priority when creating a new app," said Charaka Kithulegoda, Chief Information Officer at Tangerine. "We've made the entire experience of using our Mobile Banking app simpler by bringing the seamless functionality of Secure Chat to mobile and allowing Clients to enter the app by scanning their eyes with Eyeprint ID or authenticating through voice with VocalPassword. Adding in context-aware quick menus has made it even easier for our Clients to perform everyday banking with a few swipes." Tangerine's in-app Secure Chat feature uses Genesys® technology and operates on a customized platform that was built in partnership with IBM®. Clients can initiate a chat session, found under the "Contact Us" section, when they are already securely logged into the app, without going through any additional security screening steps.



With a strong focus on intuitive design, reducing the time it takes to complete a task and overall look and feel, the new Tangerine Mobile Banking app was designed with Clients in mind. Clients looking to simplify their mobile banking experience even further will be thrilled about a brand new context-aware feature that allows Clients to swipe right to access a quick actions menu. Paying bills, transferring or emailing money and even signing up for a Chequing Account are just a swipe away. Tangerine's updated Mobile Banking app for iOS is available in the App Store today. Support for Android will be added in the coming months.

Tangerine is a member of ACT Canada, please visit www.tangerine.ca.

4. NEW APP LETS CANADIANS APPLY FOR A MORTGAGE WITH A TAP OF THEIR SMARTPHONE

Source: Canada Newswire (05/17)

A first in the Canadian market, CIBC introduced a stand-alone app that allows you to apply for, negotiate and receive approval for a mortgage with just a few taps of a smartphone – all with the dedicated support of a Mortgage Specialist via in-app messaging. Developed at Live Labs, CIBC's technology & innovation hub at MaRS Discovery District in Toronto, CIBC Hello Home offers new levels of convenience and flexibility for accessing mortgage services.

"CIBC is at the forefront of developing and implementing mobile-driven solutions that address the clear shift in how Canadians access banking services," says Aayaz Pira, Vice-President, Digital Channels, CIBC. "Through our work with the country's top emerging tech talent at CIBC Live Labs we will continue to develop products and services that meet clients' growing digital expectations."

Key features of CIBC Hello Home include:

- Document digitization: Securely upload photos of required documents protected by secure file sharing technology
- In-app messaging: A dedicated Mortgage Specialist is available to answer any questions through secure in-app messaging
- Save and resume: The application can be saved and resumed at any time. Clients can review and agree to terms and conditions and submit with a tap on their smart phone
- Joint application: A maximum of two borrowers can use the app, and applicants can either use the same smartphone or use separate phones to complete their application
- Special rates: Clients benefit from special in-app mortgage rates and have access to mortgage calculators to determine how much they can afford

"With CIBC Hello Home and our expanded CIBC Mobile Banking App we are introducing the next generation of smartphone apps, adding features that go beyond basic customer service to create a mobile banking experience that delivers new levels of simplicity and convenience for our clients," says Mr. Pira.



CIBC is a member of ACT Canada and will be speaking at Cardware on June 14th; please visit www.cibc.com.

5. SAMSUNG PAY SUPPORTS MEMBERSHIP AND LOYALTY CARDS (IN THE USA)

Source: Android Authority (05/18)

Samsung Pay has proven to be a favorite mobile payment service, thanks to its wide support. After all it is the only mobile payment service that can work with any traditional POS terminal, as its system mimics the magnetic strip in cards. Any place that accepts card should be able to take Samsung Pay. The only issue is Samsung Pay users have been missing out on one key feature, which is finally being added today. The application now supports membership and loyalty cards. This means you can now slim down your actual wallet by adding cards from gyms, retail stores and other merchants straight to the app. Users can then simply pull out their digital cards and have the bar codes easily scanned on location.

“With this new feature, Samsung Pay is giving users quick access to their favorite membership and loyalty programs and making shopping even easier. Right now, shoppers have several things—credit and debit cards, membership cards, coupons, gift cards—they need to take out of their wallets and scan at the register. Samsung is simplifying the check out experience by bringing those items to your phone, representing our next step toward a world without physical wallets.” Nana Murugesan, VP of Strategy and Operations for Samsung Electronics America, Samsung Pay, AA. This will be a very welcomed addition to Samsung Pay. Both Android Pay and Apple Pay have been supporting loyalty cards for some time now, and Samsung claims the average American household carries around 30 loyalty cards. Though physical wallets are still not going anywhere soon, carrying less is always better.

What’s happening with Samsung Pay in Canada? Join us at Cardware when Will Graylin, Global Co-GM & CEO of Samsung Pay delivers the keynote luncheon speech.

6. ICC SOLUTIONS ANNOUNCES INNOVATIVE TEST TOOL AUTOMATION FEATURE

Source: ICC Solutions (05/26)

ICC Solutions, a global leader in EMV payment testing and certification solutions, announces the availability of an innovative test tool automation feature. This enhancement enables transaction receipts generated during EMV terminal certification tests to be scanned into the ICC Solutions test tool at the time of testing and automatically appended to the transaction test log file. This facilitates even



faster and more efficient test case execution without having to manually perform this function when the test is complete running the risk of incorrect receipts being connected with test cases or even worse misplaced/lost receipts resulting in tests being repeated. Vantiv offers the feature on the VIABLE closed-loop test tool, comprising both host and card simulation in a single test environment. VIABLE is available for merchant EMV terminal certification programs in the United States. It will soon be integrated into the globally recognised ICCSimTMat test tool platform.

According to Dave Maisey CEO / Managing Director at ICC Solutions, "ICC Solutions remains committed to developing new features to further enhance the efficiency of our test solutions which are used worldwide by Acquirers, Processors, ISV's, VAR's and Merchants to perform EMV chip terminal integration tests to achieve successful brand accreditation and acquirer certification." "This enhancement to the VIABLE testing solution is a continuation of Vantiv's leadership in simplifying the EMV terminal certification testing process. Automating the receipt matching process will allow merchants and ISVs to move more quickly through the certification process and reduce the headaches caused by lost or mismatched receipts," said Ray Moorman, Director, Product Strategy at Vantiv.

ICC Solutions and Vantiv are members of ACT Canada; please visit www.iccsolutions.com and www.vantiv.com. ICC Solutions is a sponsor and exchange place expert at Cardware - meet with them June 14-15 in Niagara Falls.

7. VISA TO LAUNCH CONTACTLESS PAYMENT WRISTBANDS AT EUROVISION CONTEST IN COLLABORATION WITH GEMALTO

Source: Gemalto (05/10)

Gemalto is collaborating with Visa, one of the world's largest payment providers, to equip visitors at the 2016 Eurovision Song Contest with contactless payment wristbands. Gemalto's solution for Visa encompasses personalization, packaging and fulfilment of the contactless wristbands, and utilizes its Allynis Smart Event Platform for the prepaid payment program and event management. The Visa contactless wristbands will be part of Visa Europe's official ESC sponsorship, which will be made available for purchase at the Eurovision Village in Stockholm, Sweden, in the week leading up to the Contest. Eurovision Song Contest expects to attract up to 65,000 visitors providing a contactless experience and culminates in a Grand Finale at the Globe Arena on May 14th drawing an estimated TV audience of 200 million.

Gemalto's integrated solution ensures that Visa will be able to showcase contactless experiences, including shopping without carrying cash or payment cards. Gemalto has provided a responsive website that enables access to real-time account information including prepaid balances and history. The wristbands can be used to make payments at any Visa ready contactless POS terminal in the world and continue to be active after the show is over until 31st October 2016. The



Allynis Smart Event Platform can be employed in conjunction with any payment form factor, including wearables and mobile NFC, and provides off-the-shelf management of payment, data and access rights as well as an extensive portfolio of white label applications. The full solution supports a rich array of features including 'tap and go' payments, seamless access management to venues and hospitality areas, and many other value-added applications. It improves and secures the visitor experience, and enables organizers and other stakeholders to implement intelligent communication, marketing and loyalty programs that run before, during and after live events.

"At this year's event, Visa is creating a new contactless payments experience for fans and visitors of the Eurovision Song Contest 2016," said Christina Lind, Country Manager Visa Europe Sweden. "Together with Gemalto we are taking a big step into the future of payments and the launch of contactless in Sweden." "Gemalto's support for Visa Europe at Eurovision 2016 demonstrates how the live event ecosystem is ideally suited to an extended NFC experience," said Philippe Cambriel, President for Europe, Mediterranean and CIS at Gemalto. "Our end-to-end Smart Event service makes it easy to look beyond contactless payments and embrace additional functions such as access, visitor entitlements and data management."

Gemalto and Visa are members of ACT Canada; please visit www.gemalto.com and www.visa.ca. Gemalto is a sponsor and speaker at Cardware - meet with them June 14-15 in Niagara Falls.

8. WALMART PAY GOES LIVE IN 600 STORES

Source: PYMNTS.com (05/16)

As Apple, Samsung and Google continue to battle it out for shares of the burgeoning mobile wallet market, a good deal of their efforts are focused on bringing retail partners on board to bolster their payment networks. Walmart was a significant prize to be won before it launched its own proprietary Walmart Pay app, and all signs point to the retailer continuing to try to make a name for itself in the payments world. Walmart announced May 16 that it was rolling out Walmart Pay at stores in both Texas and Arkansas. In total, this will add Walmart Pay compatibility to about 600 storefronts (110 in Arkansas and 480 in Texas). Daniel Eckert, senior vice president of services at Walmart U.S., touted the increased convenience Lone Star Staters and Sooners will be able to enjoy in Walmart checkout lines thanks to the newly introduced payment method.

"We can't wait to hear what our customers and associates in [Texas and Arkansas] think of Walmart Pay," Eckert said in a statement. "The service was built to make shopping easier and faster, something we know our customers want. Walmart Pay is a powerful addition to our app, a tool that we're using to transform the shopping experience by seamlessly connecting our online assets and our



stores for customers. The service opens the door to new and better ways we can serve the 140 million customers who shop our stores each week.” The continued emphasis on Walmart Pay dovetails with the retailer’s willingness to take on innovative projects outside its traditional sphere of control. For example, Walmart’s recent decision to trim its free shipping offers has been seen as a shot across the bow of programs like Amazon Prime, and if Walmart is going to make any headway in that fight, it’ll need all the help on the mobile payments front it can get.

Walmart is a member of ACT Canada and a speaker at Cardware; please visit www.walmart.ca.

9. MASTERPASS AND THE DIGITAL WALLETS REFRESH

Source: PYMNTS.com (05/09)

The push toward the always on, always available transaction ecosystems may be technology-enabled but is consumer driven, as they see a world in which cash and plastic gives way to mobile and digital. It’s a trend that MasterCard has helped innovators seize by enabling access to its MasterPass platform over the last several years. The MasterPass digital platform, which operates as a storage destination for both payment and destination or shipping data, is designed to bring speed and security to digital and mobile transactions. In a recent interview with PYMNTS, MasterCard CIO Ed McLaughlin said that MasterCard’s vision though isn’t just enabling digital transactions via that platform, but using its depth and breadth as global platform to give innovators the chance to reimagine commerce in new ways locally.

An important enabler of that vision is MasterCard’s digital wallet operator (DWO) program, a program that it launched three years ago in the U.S. Today, MasterCard announces that it will expand DWO globally. “We designed [the digital wallet operator program] three years ago to answer the question ‘how do we foster innovation, enable compelling use cases, and handle all the credentials securely?’” said McLaughlin – leveraging the MasterPass API, and its digital enterprise services program to keep digital credentials secure in the pursuit of commerce. But as more commerce is moving digital everywhere in the world, enabled by the massive diffusion of mobile and other connected devices, the premise, said McLaughlin, is one in which there are more digital wallets than fewer because commerce is, at heart, a local phenomenon.

McLaughlin contends that with its DWO program, hypothetically speaking, there’s no reason that innovators in Stockholm couldn’t create a “Stockholm wallet,” a local wallet that also has the benefits of being accepted anywhere in the world. Different than a global acceptance mark, the utility here, McLaughlin emphasized, is that DWO can help innovators develop digital commerce experiences that reflect the nuances and preferences of a local culture and the establishments operating within it without that innovator having to build a separate



payments platform or app to enable it. “MasterCard has always been a platform that people have built great businesses on top of,” McLaughlin said. “In the case of Stockholm,” he said expanding on the example, “how that consumer interacts with the bicycle system, and goes skating in the winter, well, that’s great localization that can be made possible with DWO,” he said.

McLaughlin emphasized that MasterCard views DWO as a way for innovators to support merchants who want to offer a local experience – and leverage a single “local” wallet that consumers will want to use. For innovators, that also helps them build their commerce enterprises and evolve them as they see success and traction – and do that easily and at scale. And, McLaughlin says, since MasterCard is always refreshing its network, accommodating new capabilities and enabling new devices, those innovators are able to take advantage of a consistent and transparent service that enables “precise localization” and continue to serve the needs of those local communities. DWO, he said, applies to anyone who wants to be a digital wallet operator, from the smallest player to the largest. There has been no change in pricing for the transaction fees that debuted three years ago, said McLaughlin, and a tiered system still remains in effect. Fees, he stated, are a “non-issue.” McLaughlin also pointed out that the digital wallet operator program is a program, not a specific technology. “As new capabilities roll out or new threats emerge, we make it possible for innovators to work with a consistent framework based on what we are doing today – and that will include new capabilities coming into the marketplace tomorrow.”

McLaughlin believes strongly that MasterCard’s DWO will allow innovation to flourish locally in a consistent, secure and compliant way. Noting that demand for such a program has accelerated as localization has become increasingly appealing to consumers, McLaughlin also noted that cash and plastic has been increasingly less important. “When you move into the device-based world, anyone facilitating commerce is going to want to hold and use digital credentials, and the consumer will expect nothing less.” The goal, McLaughlin said is to give innovators a secure way to hold, use and keep credentials, and a standard technology that helps them develop new and creative ways for commerce to happen. As for how the wallet world all shakes out? “That’s for the consumer to decide,” he said. “We just want to provide the tools so that innovators can give them many options to choose from.”

MasterCard is a member of ACT Canada and a sponsor at Cardware, please visit www.mastercard.ca.



10. FIME ANNOUNCES GLOBAL TOOL QUALIFIED FOR MASTERCARD CLOUD-BASED PAYMENT MOBILE APPLICATION TESTING

Source: FIME (05/19)

FIME announces that its Global test tool is qualified for MasterCard cloud-based payment (MCBP) mobile application testing. Mobile payment solution providers and payment issuers can now validate the functional compliance of their host card emulation (HCE) mobile payments solutions against MCBP Specifications prior to the formal certification stage, reducing product time to market. With FIME's testing laboratories delivering MCBP functional testing services, solution providers and issuers can benefit from working with a single, specialist partner, from the inception of a solution, right through to launch. Following laboratory certification, the Global test tool can also be used to self-evaluate updates to the application. This accelerates the application development lifecycle, reduces certification costs and enables applications to evolve more freely.

MCBP Specifications create a foundation for rapid global deployments of mobile payment services. The approach simplifies and speeds the deployment process of contactless mobile offerings for card-issuing financial institutions and other solution providers. "FIME works with developers and issuers to both accelerate time to market and validate functionality. We do this by offering the broadest range of consulting, mobile payment testing and certification services. These services come together to facilitate the efficient design, development and launch of products and services," comments Christian Raccuglia, Marketing Manager, Mobile Payments & Biometrics, at FIME.

FIME is a member of ACT Canada; please visit www.fime.com. FIME is an exchange place expert at Cardware - meet with them June 14-15 in Niagara Falls.

11. TIDAL BOOSTS GLOBAL EXPANSION, PEAK TRANSACTION PROCESSING CAPABILITIES WITH EXCLUSIVE INGENICO EPAYMENTS PARTNERSHIP

Source: Ingenico (05/04)

Ingenico ePayments announced that the innovative music and entertainment platform, TIDAL, selected Ingenico ePayments as its exclusive partner to help process increasing demand for its services and optimize the payment experience for its customers. As the exclusive launch platform for some of the world's biggest artists, TIDAL required a partner that could support its rapid international growth, while also helping the company process the thousands of transactions per second ('tps') that are generated by high-profile, exclusive album releases such as Kanye West's 'Life of Pablo' and Beyoncé's 'Lemonade'. Together, Ingenico ePayments and TIDAL offer TIDAL users around the world a wide range of payment options and currencies, tailored to their local payment



preferences. TIDAL works on smart phones, tablets and computers, and delivers an optimized user experience on any device, even at high volumes.

With this exclusive partnership, Ingenico ePayments supports TIDAL's goal of bringing music lovers and artists closer together, by providing a seamless payment experience that benefits both. Leveraging Ingenico Connect's suite of integration tools, TIDAL had the flexibility to select a simple and secure integration method that ideally fit their needs. Through the connection to the Ingenico ePayments platform, TIDAL can now provide a simple and fast checkout experience even at peak times such as album launches, and offer a wide portfolio of international payment products. "We are thrilled to provide TIDAL with credit card and alternative payment processing services, and to work with them to create the best possible checkout experience for their customers," said David Jimenez, Vice President Global Sales & Marketing for Ingenico ePayments. "Their success creates a very demanding payments environment with huge peak volumes, so we're very proud to have been selected as their exclusive payment partner."

Ingenico is a member of ACT Canada, please visit www.ingenico.com. Ingenico is a sponsor and a speaker at Cardware - meet with them June 14-15 in Niagara Falls.

12. IS BITCOIN-RELATED FRAUD EVER GOING TO END?

Source: Let's Talk Payments (05/27)

If you happen to be pro-bitcoin, there is no reason to get alerted. Fraud is not a biased matter and fraudsters do not target cryptocurrency in particular just to sink bitcoin itself and put an end to the era of the cryptocurrency. Whether as coincidence or direct relation to properties of the cryptocurrency, we can't help but notice that along with successful cases of bitcoin adoption and use, there are also cases of misuse and bitcoin-related fraud leading to questions about the proper regulation or even shift to the next big thing (maybe ETH?). There is no particular industry or a particular type of fraud that is facilitated by bitcoin, but the cryptocurrency certainly finds itself in quite puzzled situations. From a one-person LSD shop working on bitcoin being busted or dark web drug marketplaces from Norway to governments noticing bitcoin in relation to AML policies, cases vary, but bitcoin is somehow involved in a range of them. Some bright entrepreneurs have even built "sustainable" networks and make millions on bitcoin-based drug businesses (until they get locked up in prison for 17 years, of course).

It's been almost five months into 2016 and there are already quite a few instances of criminal activities related to bitcoin. In fact, just couple days ago, three guardsmen from the District of Columbia Army National Guard were indicted on charges arising from a scheme to use bitcoin to buy stolen credit and debit card numbers from foreign websites, re-encode cards issued in their names with those stolen numbers, and then fraudulently purchase items at Army and Air Force



Exchange Service (AAFES) stores on military bases and elsewhere for use and resale.

As stated in the official announcement, the defendants used bitcoin to purchase stolen credit and debit card numbers of individuals and businesses from foreign internet websites. They selected and purchased stolen credit and debit card numbers of individuals and businesses holding federal credit union accounts, and those with billing addresses in or near Maryland. They bought magnetic stripe card encoding devices and software to re-encode credit, debit and other cards with the stolen credit and debit card numbers. Pawan Duggal, an advisor on cyber laws, recently commented in the popularity of bitcoin in criminal circles, saying, "Bitcoin was introduced to the public in 2008 but due to its features, it is now majorly used in criminal activities. It became more dangerous when users started using it through the darknet, which can only be accessed by specialized software."

Law enforcement officers in Delhi have noticed bitcoin becoming the preferred choice in illegal transactions, as The Daily Mail reports. "Bitcoin currency transactions need monitoring as this method of sending money to any part of the world is being used by criminal syndicates, including organized prostitution, involving fat deals. It has been noticed that people involved in prostitution are sending money from abroad through bitcoin to various parts of Mumbai, Delhi, etc." Criminals download and use a special software that allows them to bypass PAN card details for transactions, making them untraceable. Recently, Bengaluru Police reportedly found a trail of bitcoins used to buy drugs from a dark site.

Earlier in May, the chairman of the Digital Bitcoin Company has been arrested on charges of fraud over a loss of more than \$306,000 in fraud losses to 49 customers in one month. It appears that the Digital Bitcoin Company's chairman has been involved in fraud schemes before. The chairman set up the company in June 2014. In January 2015, he falsely claimed that major market players wanted to buy bitcoins at a high price, thereby attracting many customers to buy bitcoins for alleged margin trading speculation. In fact, he altered the company's server settings and turned his customers' bitcoins into his own. He then publicly claimed that his company was being hacked online and shut down his operations.

While not a recent scandal, the Tokyo-based Mt. Gox bitcoin exchange scam story is about to blossom this year in the form of strict regulations. Back in 2014, the company filed for bankruptcy, declaring that 750,000 customer bitcoins and another 100,000 belonging to the exchange were stolen due to a software security flaw. The lost funds were equivalent of \$480 million at that time. Moreover, the company also declared that more than \$27 million went missing from its Japanese bank accounts. In February this year, another bitcoin exchange Kraken, announced a significant progress in the investigation into the claims of Mt. Gox's creditors. The company is handing out millions of dollars in virtual currency to some of those who lost out at the hands of Mt. Gox.

Two years after the scandal, Japanese governments introduced a new legislation requiring virtual currency exchanges to be regulated by the Japanese financial services authority. According to the new law, virtual currencies will be classified as “asset-like values” and will require virtual currency exchanges operating in the country to register with the Financial Services Agency and verify the identities of their users. A similar story of the legislation aimed to regulate virtual currency happened in New York with BitLicense.

One of the governments from the other continent also recently decided to put some pressure on bitcoin. Ghana’s Financial Intelligence Centre stated that the use of virtual markets and virtual currencies such as bitcoin and kitiwa is a severe risk to the country’s security. Based on available international records, the government found that insurgencies have been funded from Ghana. With this assessment, the Center is now working to make Ghana the first country in West Africa to publish its national risk assessment. Although an increasing number of African countries are moving towards electronic transactions with the growing use of bitcoin in particular, official statements that tie various electronic payment platforms including bitcoin to money laundering and terrorism financing create doubts over the disruptive tendency of the digital currency.

Another unpleasant surprise hit bitcoin a day ago when Spanish police announced the arrest of 30 people suspected of illegally distributing pay television content and of laundering the proceeds by investing in bitcoin “mining” centers for processing transactions in the digital currency, which use intensive computing power to generate more bitcoins. The arrests took place across Spain, including in the cities of Madrid, Barcelona, Valencia and Cordoba. Six bitcoin “mining” centers were seized in the raid after an investigation alongside Spain’s tax office that started as a crackdown on a scheme to illegally decode and distribute pay-TV content. The proceeds were allegedly laundered through investments in banking products, luxury cars, property as well as bitcoin centers.

Police authorities in Taiwan have also recently cracked down on a money-laundering ring that used bitcoin in its activities, as the Criminal Investigation Bureau announced. Eight suspects were arrested at a house in northern Taoyuan City on April 28, where the ring set up its money laundering center. As reported by the CIB, the ring allegedly helped telecommunication fraud rings by laundering their money. Using a complex process and by taking advantage of China-based online trade platform of bitcoin currency, a digital asset and payment system, the ring helped other phone fraud rings to secure the money they scammed from victims so that they would not be found by police authorities. Since its establishment this April, the ring had managed to launder several million renminbi, storing it in secure accounts. Recently, a questionable move for cryptocurrency was made by one of the biggest bitcoin companies – Coinbase. Some curious people have noticed that Coinbase has changed its description from “The easiest way to buy bitcoin” to “Our mission is to create an open financial system for the world.”

Just to spice things up for bitcoin even more, Fred Ehrsam, Co-founder of Coinbase, shared quite an elaborative explanation of the move from a bitcoin company to a digital asset company. Moreover, Ehrsam strongly states that “Ethereum is the forefront of digital currency.” As Ehrsam shared in his post two days ago, “People are doing things in Ethereum that are not possible right now in bitcoin. It has created a new generation of developers which never worked with bitcoin but are interested in Ethereum. Bitcoin could have this advanced functionality, but it would be through a series of other layers that work with the bitcoin protocol that haven’t been created yet while Ethereum is providing it out of the box.”

Coinbase is not a fraud case, but maybe a sign that the foundation under bitcoin is getting a bit thinner. On the other hand, all those cases may only serve as a push for the improvement of bitcoin and for it to start a new curve of growth and adoption through appropriate regulation and curation of the business community.

13. TSYS INTRODUCES NEW INNOVATIVE VIRTUAL PAYMENT SOLUTION

Source: TSYS (05/23)

TSYS announced the launch of a new commercial payment solution that will streamline business-to-business (B2B) virtual payments and further enhance the ePayables process flow. TSYS Virtual Payment PreceptSM (VPP) is an innovative new solution that reduces risk, improves operational efficiency and greatly increases control over accounts payable and accounts receivable payments and reconciliation. VPP leverages existing TSYS technology with an improved processing design to deliver secure, virtual single-use accounts in real time with enhanced control over account and transactional base parameters. According to a recent report from the Association for Financial Professionals, nearly 80 percent of companies are transitioning to electronic payments for B2B transactions.

“With increasing demand, it is vital to have the most secure and cost efficient process in place to facilitate these transactions,” said Scot Yarbrough, group executive of commercial services, TSYS. “We have anticipated this need and delivered a solution that enables our issuing clients to offer cutting edge technology to their corporate customers. This new solution will provide the proper scalability for the aggressive growth projected in this market while leveraging TSYS’ proven security and reliability.” TSYS VPP offers unparalleled authorization and decision controls for buying organizations. For issuers, this can drive portfolio growth, reduce fraud and increase revenue in the B2B space. This product is currently available to commercial card issuers across North America.

TSYS is a member of ACT Canada and a speaker at Cardware; please visit www.tsys.com.



14. ACCEO TENDER RETAIL PAYMENT SOLUTION RECEIVES EMV CERTIFICATION WITH VANTIV ON VERIFONE MX SERIES OF PAYMENT TERMINAL DEVICES

Source: ACCEO (05/19)

ACCEO Tender Retail has had its Merchant Connect Multi (MCM) payment solution certified by Vantiv on the MX series of payment terminals. Merchants now have the flexibility to choose the devices that best suit their needs, while meeting the latest payment security requirements. The solution supports contact EMV payment, provides a fast and secure payment option to merchants, and protects cardholder data with Point-to-Point Encryption (P2PE). The device will soon be deployed across the United States.

ACCEO Solutions, Vantiv and Verifone are members of ACT Canada, please visit www.acceo.com, www.vantiv.com and www.verifone.com. Verifone is an Exchange Place Expert and a speaker at Cardware – meet with them June 14-15 in Niagara Falls.

15. JETCO SELECTS GEMALTO TO ROLL OUT SECURE PEER-TO-PEER MOBILE PAYMENTS IN HONG KONG

Source: Gemalto (05/10)

Gemalto will provide JETCO with its Ezio Mobile Suite, including servers for mobile enrollment and provisioning, authentication and messaging. JETCO runs on its existing inter-bank network, is a bank consortium chartered to develop innovative and secure financial technology services for over 30 member banks in Hong Kong and Macau. Gemalto's solution, integrated with JETCO's mobile application, provides strong authentication, data encryption and advanced protection against malware attacks. As a result, users can now seamlessly make fund transfer directly from their bank accounts to their friends via Peer-to-Peer (P2P) payments using mobile numbers. Hong Kong is ready for mobile payments with a high proliferation of smartphones, widespread acceptance of contactless payments, and favorable government regulations[1]. Therefore, consumers have many choices for mobile payments, and JETCO leverages its inter-bank network of trusted financial brands to boast a high level of security and launch the first-of-its-kind JETCO Pay P2P inter-bank fund transfer services in tandem with 12 banks, which sets it apart as a game-changer for wider mainstream adoption.

"We are glad to have partnered with an industry leader in security and payment solution. Gemalto's Ezio solution not only reduces our time to market, but also fully complies with Hong Kong Monetary Authority's security requirements. Looking ahead, we will keep pursue and exploit exciting business opportunities together as we both share commitment to deliver world-class products and services to our customers in Hong Kong and beyond," said Mr. Angus Choi, CEO of JETCO Hong Kong. "JETCO has been investing in mobile technology in recent



years to transform themselves from an ATM network operator to a major player in the contactless payment services," said Suzanne Tong-Li, President for Greater China and Korea at Gemalto. "With a wide portfolio of secured mobile banking and payment solutions, we can help JETCO to grow their ecosystem even further, offering next-generation services such as card less withdrawals and payments, eCommerce and mPOS-based payments."

Gemalto is a member of ACT Canada, please visit www.gemalto.com. Gemalto is a sponsor and a speaker at Cardware - meet with them June 14-15 in Niagara Falls.

16. KOHL'S FIRST RETAILER MELDING APPLE PAY, STORE CHARGE CARD, LOYALTY PROGRAM

Source: Mobile Payments Today (05/06)

Kohl's customers can now tap Apple Pay to use their store charge cards and not miss out on earning loyalty rewards in the process. The new mobile payment option is being deployed to 250 stores and expected to be in all stores nationwide by end of this month, according to an announcement. At that point Kohl's will be the first retailer to deliver a one-tap checkout approach that includes its own store credit card and loyalty program. "Kohl's is blending the physical and digital shopping experiences in more ways than ever before. Offering conveniences to Kohl's customers that make it easy for them, like a seamless one-tap checkout in Apple Pay that integrates our value-driven Yes2You Rewards loyalty program is one of the ways that we are leading as an omnichannel retailer," said Ratnakar Lavu, Kohl's CTO.

"We are continuing to innovate in mobile to provide an easy, seamless shopping experience whether it's our mobile payment offerings, the features and functionality on Kohl's mobile app or the Kohls.com experience on smartphones and tablets." The strategy was initially announced just about a year ago. Customers use their iPhone at a contactless reader at the register to pay and receive individual rewards. Those wanting to pay with the Apple Watch just click the side button and hold the watch face to the reader. Kohl's said the Apple Pay move is part of its continuous focus on creating an easy omnichannel shopping experience and will also make online mobile browsing for products easy as well. The Kohl's mobile app has been downloaded 12 million times.

Despite tremendous media focus since its debut Apple Pay has not grabbed merchant traction, noted an Apple Insider report. While it is being warmly embraced by nearly every bank, the majority of retailers are not offering the payment approach even though some, including Marriott, indicated support early on. According to Apple Insider a few more big brands, including Chick-fil-A, will deploy support later this year.

17. WHAT IS THE NEXT BIG THING IN PAYMENTS?

Source: *Let's Talk Payments (05/06)*

Regardless of the rapid growth of mobile technology enabled mobile payments, industry professionals can't assume it will stay the next big thing forever. Payments are evolving and so are technology and consumer habits. Although at this point mobile payments seem to be the most potent consumer facing proposition, there is the next wave close on its heels— wearables. Smartwatches, in particular, are believed to be gaining traction and in the nearest future will be an inseparable part of daily habits. In their desire to simplify and smoothen the payments process, financial institutions and payments companies will eventually turn to smartwatches or other types of wearables instead of phones. Not only financial institutions, but the technology companies have also expressed optimism in payments via wearables. Samsung, for example, believes that “if there's anything more nascent than mobile payments, it's mobile payment via wearables. Currently, this is considered an early niche market, with gradual growth projected...”

There is experimentation underway in the wearables industry with tech companies and financial institutions piloting different NFC-enabled solutions. Their successful adoption and use for payments wearables will eliminate the friction at the payments terminal, hence, possibly aiding retailers in sales. When we speak of wearables, the first one to come to mind is Apple Watch. Apple Watch was one of the first attempts to enable frictionless payments with a wave of the wrist. Another effort to enable payments with wearables came with bPay by Barclays. Some other companies that also tapped into the market were partnerships between wearables manufacturers and payments companies, like Swatch and UnionPay, Alipay and Xiaomi.

Earlier this year at the International Consumer Electronic Show, MasterCard unveiled its debut in the wearables industry by announcing a partnership with Coin to bring MasterCard payments to a wide array of fitness bands, smart watches and other wearable devices. Coin's technology will add a payment function to wearables, while MasterCard enables payments without the exchange of sensitive card information. “We are talking with lots and lots of partners in this space. It's generated a ton of interest,” Sherri Haymond, a senior vice president at MasterCard, said in an interview. The first devices using its secure payment service should come to market this year.

One of the latest experimentations with wearables was a stretchable disposable patch that can have a range of applications. MC10, the healthcare technology company specializing in stretchable body-worn computing systems, and PCH, which designs custom product solutions for startups and large companies, have partnered to commercialize MC10's Wearable Interactive Stamp Platform (WiSP). The partnership will allow brands to develop a variety of consumer applications for the platform, which is a skin-worn, ultra-thin, stretchable and disposable stamp. When paired with a smartphone, tablet, or NFC reader, the



WiSP platform enables a variety of consumer applications, such as cashless payments, hotel room access, event registration, interactive experiences at amusement parks, sporting and music events and VIP experiences. The WiSP platform can also be used in clinical environments to transmit important patient information and streamline procedure flow.

Wearables shipments are expected to grow to more than 235 million devices by 2020, which is a fourfold increase from the 80 million units expected to be shipped in 2016. Moreover, by 2019, 30-40% of those devices will have a payments function. For comparison, today the number is 2%. Such a massive expansion of the industry wouldn't be possible without sizable adoption of contactless payments. Contactless payments are expected to grow from \$35 billion in 2015 to \$95 billion in 2018. Given that contactless payments are here to stay and grow, wearables are the perfect and logical outlet to embed them. Some estimations suggest that owners of wearables with the payments function embedded in them will spend \$1.9 billion paying with their devices by 2018. According to some other forecasts, wearable payment transaction volume will grow from \$3.1 billion in 2015 to \$501.1 billion worldwide by 2020. By that time, wearable payments will represent approximately 20% of the total mobile proximity transaction volume and about 1% of total cashless transactions in retail.

MasterCard and UnionPay are members of ACT Canada; please visit www.mastercard.ca and www.unionpay.com. MasterCard is a sponsor at Cardware.

Wearables, Blockchain, Faster Payment, Fintech, IoT, Prepaid, Encryption, Loyalty, Quantum Computing – where do you go to get the latest information & how do you put it in context with your organization's needs? Join us at Cardware on June 14-15, visit www.cardware.ca for details.

18. ICC SOLUTIONS WINS SECOND PRESTIGIOUS EXPORT AWARD IN A MONTH

Source: ICC Solutions (05/18)

Showcasing micro, small and medium to growth transatlantic businesses, the CHASE Awards recognise and celebrate the very best stories of successful exporting and inward investment in the transatlantic corridor. They also explore the extraordinary lengths small businesses go to to 'think big' and achieve their exporting and investing goals. This accolade comes hot on the heels of ICC Solutions achieving its third Queen's Award for Enterprise, and second in International Trade. As an active member of the Institute of Export (IOE), which aims to enhance the UK's export performance by setting and maintaining professional standards in international trade management and export practice, ICC Solutions has achieved outstanding growth in overseas sales, with steep year on year rises across 2012-15.



Dave Maisey, ICC Solutions CEO and co-founder, who has recently been appointed as a trustee director of the IOE, said: “The CHASE award is a further endorsement of our focus on global trade and we are thrilled that the achievement comes in our 20th year. Since 1996, our professional team has stayed at the forefront of its sector, delivering market-leading Chip & PIN test tools to the global payments industry and I would like to thank our clients, suppliers and advisors for their support.” Demonstrating clear market leadership and expertise, ICC Solutions has invested in R&D to develop a radical and innovative new certification environment for the North American market, which is used by the second largest merchant acquirer in the USA. It allows clients to maintain full control of their testing, addressing the huge volume and scalability required for the USA.

IOE Director General, Lesley Batchelor, added: “ICC Solutions’ latest award is richly deserved recognition for an exporting company that has embraced innovation to take its products and services to the world. Beyond that, it has a stated aim to help enhance British exporting and this win will inspire others to investigate the growth opportunities offered by international trade - or build on existing export activity.” David Maisey concluded: “ICC Solutions has been recognised as a significant force for change in the North American payments ecosystem and the CHASE award underlines our ability to comprehensively serve that market with the most innovative tools, to the highest levels of excellence.”

ICC Solutions is a member of ACT Canada; please visit www.iccsolutions.com. ICC Solutions is a sponsor and exchange place expert at Cardware - meet with them June 14-15 in Niagara Falls.

19. ANDROID PAY’S 360° VIEW OF COMMERCE

Source: *PYMNTS.com* (05/19)

The biggest question mark surrounding mobile payments in the U.S. isn’t about the latest and greatest mobile wallet to hit the market. It’s about what it will really take to get users coming back for more. U.S. consumers have the mobile devices, the “digital wallet” options (a list that’s ever-growing) and merchants with NFC terminals up and running. But consumers continue to default to what they know works and are used to using: plastic cards and cash. So, when it comes to mobile payments, is creating consumer habituation even possible? Google sure thinks so. And what we learned yesterday at its Google I/O conference is its twist on making Android Pay not only a habit in the store but a familiar way to pay across all digital channels. Android Pay made headlines yesterday (May 18) as Google announced an expanded range of enhancements and capabilities coming to the service. A pretty impressive list of accomplishments that made it clear that the Google payments team has been hard at work living up to its promise made last year that the Android Pay launch was only scratching the surface of its potential.



With Android Pay, Google is redefining habituation as getting consumers used to using the mobile payments option across all of the channels that consumers use to conduct commerce: the mobile Web, in-store, in-app and even at ATMs. Prior to the announcement, Pali Bhat, Global Head of Payment Products at Google, sat down with Karen Webster to break down all the components of the new face of Android Pay and speak candidly about the pains and the perils of igniting mobile payments adoption anywhere, especially in the U.S.

LAUNCHING ACROSS THE POND

Android Pay is going places, said Bhat — to the U.K., to be exact. One of the biggest (and earliest) announcements from Google yesterday was that Android Pay has finally made it to the U.K. and can now be used everywhere contactless payments are accepted. As Bhat put it, the U.K. is “light-years ahead” of the U.S. when it comes to the market penetration of contactless payments, making it no surprise that Android Pay had its sights set on launching there. What is surprising is the plan to not only be available in the big-name retailers and working with top partners but the effort to ensure Android Pay reaches a larger network of merchants, both big and small.

Hands down, the most exciting part of the U.K. launch, Bhat said, is the partnership with Transport for London, which he said is designed to create a “truly magical experience that’s better than using [the consumer’s] card or a ticket.” With nearly 13 million journeys taken every day via Transport for London, the opportunity to change the way Londoners interact with transportation via commerce was huge. Bhat said that part of the partnership involves not requiring an Android Pay user to present their authentication again for low-value transactions. Yep, you heard that right. It means Android Pay users can simply stroll through a station turnstyle without breaking their stride, knowing that the payment is already taken care of. “The beautiful thing is that we’ve done it in a secure way. If we detect too many transactions in a short period of time or see that there are higher-value transactions, we’ll automatically compensate you using our machine-learning technology that we’ve used for our risk engine,” Bhat explained.

Transport for London transactions will also produce richer, more informative receipts for Android Pay users, showing which train or bus stop they entered and exited based on the payments that took place. The capability will also address what Bhat described as one of the biggest pain points for Londoners today, which is that riders are often penalized for not tapping out upon exiting a train station or bus. Right now, there is no way for the Transport for London team to actually inform users that they forgot to tap out. In most cases, Bhat said these are well-meaning riders with no intention of doing anything fraudulent but then are still forced to pay the fees and a fine for forgetting to tap out. “That’s cumbersome and costly for users. If we detect that you tapped in but, after a certain amount of time, forgot to tap out with Android Pay, then we’ll automatically notify you,” he added.



HELLO ATMS, GOODBYE PLASTIC

Back in the U.S., Android Pay is looking to change the way users interact with their ATMs by taking plastic debit cards out of the equation. As part of an effort to have more users find value in using Android Pay in their everyday purchases and finances, the mobile wallet will now enable users to get cash out of an ATM without having to actually put in a debit card. Instead, users can simply use their mobile device with Android Pay, tap at the ATM and proceed with the process as usual. No more carrying around a plastic debit card to go to the ATM. Bhat said the initial partnership with the service will be with Bank of America, but the intention is that other banks will soon follow suit. Bank of America customers who use Android Pay can expect to see the service rolled out at hundreds of locations across the U.S. over the next couple of months.

ANDROID PAY'S IN-APP MAKEOVER

Google is trying to make it very clear that there is way more to mobile payments than the contactless transactions that take place at payment terminals in-store. Bhat said that it's about all of the different use cases for mobile payments, with the in-app payment experience being a huge part of that. While Android Pay will continue to integrate into popular apps, such as Uber and Airbnb, Bhat said it's not just about having the top apps. "We want it to be easy for even the smallest apps to be able to add Android Pay." Now, all that stands between an app integrating Android Pay is less than 10 lines of code. Google has also partnered with a slew of payments processors, from Braintree and Stripe to First Data and Vantiv, all focused on working to make it simple to bring Android Pay to apps, both big and small.

Android Pay's APIs are also expanding and opening up to the wider developer community, ensuring that the access and availability of those APIs are improved. When it comes to apps, Bhat pointed out that research shows, although the average user may download more than 100 apps on their phone, they only use roughly 17 of them — even though the number of places users actually want to access on their mobile devices is far higher. As Webster remarked, users don't want to junk up their phones with a bunch of apps they are only going to use once. To overcome this challenge and still increase merchant app exposure virally, the Google Play and Android teams worked together on Android Instant Apps. The "mind-blowing technology," Bhat says, will allow consumers to pay with Android Pay with a single tap, without the cumbersome process of having to download and install an app that may be used only occasionally.

Rather than installing a merchant's app in order to purchase a product, a user can be sent a link that allows the app to instead be streamed on their phone and enable the transaction to take place without having to search for and/or download the app. "It provides the full native experience on the phone without ever having to install the app, and then, when the payment is done, it goes away," Bhat



said. “We’ve worked to build payments into the experience. The exact same Android Pay experience that you get when you have an app that you’ve installed on your phone, we’ll bring that to Instant Apps as well.”

THE MOBILE WEB MOVEMENT

There’s no question that payments on mobile Web need some work — smaller screens and online checkout forms just don’t mix. It’s been challenging for users to actually check out using mobile Web, and the data doesn’t lie when it comes to how low conversion rates are on mobile Web today. Android Pay is introducing a new cross-browser standard aimed at bypassing the online checkout form on mobile Web altogether. The PaymentRequest API will enable users to simply tap a button, and the browser will then match the intended payment method with that of the merchant and process the checkout seamlessly, Bhat said.

VALUE ACROSS THE ECOSYSTEM

Users aren’t the only ones set to feel the value-added love from Android Pay. Google is also looking to bring more value to merchants and its other partners across the financial services landscape. APIs for merchants will be opened to not only support saving services, such as loyalty cards and offers to Android Pay, but also to show merchant partners how to get more consumers to sign up for their services. Bhat used Google’s partnership with Walgreens as an example of this capability in action. For consumers opted in to the Balance Rewards Card program, Walgreens allows the loyalty card to be added to Android Pay in-app but also via email, SMS and all of the ways in which they engage with customers, he explained. But if a Walgreens shopper isn’t enrolled in the rewards program but pays using Android Pay, the retailer has the ability to send a personalized message asking them to join and enabling them to sign up with a single touch.

“We will complete all the information so the only thing a user has to add is a password for the account, and they are done and the loyalty card can be saved to Android Pay as well,” Bhat said. Another Android Pay API, which it plans to open up and make available to all issuer partners, will enable a bank’s mobile app users to set up and manage Android Pay right in-app, showing a consistent theme of not forcing users to install any unnecessary apps on their mobile devices.

BUILDING MOBILE PAYMENTS TO LAST

As the Android Pay ecosystem continues to evolve, Bhat said Google will continue to bring more value through its APIs and partnerships, with other payments players to deliver solutions that drive lasting mobile payments adoption. “We think when you combine the in-store payment experience with the in-app experience, across both installed apps and Instant Apps, and finally you add in the mobile Web experience, there’s a complete solution for mobile payments,” he explained. Android Pay is looking to bring all of those pieces together in order to



make a compelling and meaningful value proposition to consumers. One that will ensure they don't just use the mobile wallet as a method of payment but that it becomes an engrained piece of their daily lives.

"By building out all of the different use cases, it's really much more of a situation where users can start getting accustomed to using mobile payments," Bhat said. "We truly believe that the full story makes a huge difference, as opposed to just solving just one piece of this."

20. COLOMBIA SELECTS GEMALTO STRONG AUTHENTICATION SOLUTION TO SECURE CITIZENS ACCESS TO FINANCIAL SERVICES

Source: Gemalto (05/19)

Gemalto announces that the Government of Colombia has deployed its SafeNet Authentication Service. The solution provides secure online access to financial services for millions of citizens provided through the Fondo Nacional del Ahorro (FNA) or National Savings Fund. Gemalto's SafeNet Authentication Service provides secure, cloud-based multi-factor authentication when Colombian citizens log into their FNA accounts. The FNA provides a broad range of financial services, including retirement savings, loans, higher education financial support, and unemployment benefits. Colombian citizens benefit from simple, easy-to-use two-factor authentication provided by the solution. After entering their online user name and password, FNA account holders receive a one-time password (OTP) via SMS text or email that they then enter online as a second form of user authentication and additional security to protect their online accounts.

SafeNet Authentication Service is a cloud-based offering that enabled the government of Colombia to rapidly deploy a highly scalable authentication solution to support millions of users with no upfront capital expenditures. In addition, the Gemalto authentication solution integrated easily with the FNA back office systems, which simplifies enrolling new users, provisioning new tokens, and reporting for the FNA IT organization, which placed a high priority on ease of use, integration capabilities and cloud-based delivery. "We chose Gemalto because they are a leader in user authentication," said Cesar Amar, Vice President of Technology at FNA. "Their cloud-based authentication solution met our goals to operate with no infrastructure costs and be highly automated. It was also very important that the SafeNet Authentication Service was very simple and easy to use for Fondo Nacional del Ahorro account users."

"We're very excited to be able to support an initiative of this scale and importance for the Fondo Nacional del Ahorro," said François Lasnier, Senior Vice President for Identity Protection at Gemalto. "The SafeNet Authentication Services provides the scalability and cost-effectiveness for organizations to support millions of users without having to invest in infrastructure. That is a significant advantage for IT organizations that are looking to operate as efficiently as possible while being



able to protect access to a large number of applications and services." SafeNet Authentication Service delivers fully-automated, highly secure and strong authentication with flexible token options that are tailored to the unique needs of each organization, substantially reducing the total cost of operation. With no infrastructure required, the service enables a quick migration to a multi-tier and multi-tenant cloud environment, and protects cloud-based and on-premises applications and data as well as corporate networks, identities and devices.

Gemalto is a member of ACT Canada, please visit www.gemalto.com. Gemalto is a sponsor and will be speaking on strong authentication for payments at Cardware - meet with them June 14-15 in Niagara Falls.

21. RUN AND PAY? FITBIT ACQUIRES WEARABLE PAYMENTS ASSETS FROM COIN

Source: Mobil Payments Today (05/19)

Fitbit announced it has acquired the wearable payment assets of Coin, a Silicon Valley consumer electronics and financial technology company. The deal includes key personnel and intellectual property specific to Coin's wearables payment platform, according to a press release. While there are no plans to integrate Coin's wearable payments technology into the 2016 Fitbit product roadmap, the company said the acquisition accelerates Fitbit's ability to develop an active NFC payment product that could be embedded into future Fitbit devices, broadening its smart capabilities. The acquisition excludes smart payment products, such as Coin 2.0, according to the announcement. Fitbit said the transaction was completed May 12.

"We are focused on making wearable devices that motivate people to reach their health and fitness goals, and that also make their lives easier with the smart features they need most," said James Park, CEO and co-founder of Fitbit. "Coin has been one of the key innovators in advanced payment solutions. The inclusion of their payment technology into our offerings will further our strategy of making Fitbit products an indispensable part of people's lives."





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

Please forward any comments, suggestions, questions or articles to andrea@actcda.com. Please note that articles contained in this newsletter have been edited for length, and are for information purposes only. If you would like to be removed from our newsletter distribution list please follow the unsubscribe instructions at the bottom of the email.

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

Insights • Networking • Visibility

ACT Canada is the place to be to:

Filter the truth from market noise

Understand complex issues

Facilitate problem resolution

Because stakeholder dialogue helps you make profitable decisions.