



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

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ACT Canada Partners

INGENICO - *Point of Sale Equipment Partner*

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

INTERAC - *Payment Network Partner*

Interac Association is a recognized world leader in debit card services. Interac Association is responsible for the development and operations of the Interac network, a national payment network that allows Canadians to access their money



through Interac Cash at 60,000 Automated Banking Machines and Interac Debit at 766,000 point-of-sale terminals across Canada. Interac Flash, a secure contactless enhancement of Interac Debit allows Canadians to pay for items instantly with their Interac chip debit card at a reader that supports Interac Flash.

PAYMENTS BUSINESS – *Media Partner*

New and Renewing Members

Principal Members

Canadian Payments Association ~ member since 1998
MSC Payment Solutions ~ member since 2010

General Members

Apriva ~ member since 2009
CPI Card Group ~ member since 1999
KPMG Management Services LP ~ member since 2011
Oberthur Technologies ~ member since 2005
Pioneer Energy L.P. ~ member since 2014
The Cadillac Fairview Corporation Limited ~ new member
The North West Company ~ new member

Associate Members

B3 Payments ~ new member
Kelli Preston ~ new member

Career Opportunities

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 Summit, presented by the Smart Card Alliance

Feb 3-5, 2015
Salt Lake City, UT
<http://www.scapayments.com/>
*ACT members receive a registration
discount*

Monetizing your cobrand partnerships and event sponsorships

Feb 26, 2015
Toronto, Ontario
Registration by invite only



Mobile World Congress

Mar 2-5, 2015

Barcelona, Spain

<http://www.mobileworldcongress.com/>

ACT Members receive 15% off the full registration price

Connect:ID

Mar 23 - 25, 2015

Washington, DC

<http://www.connectidexpo.com/>

Card Forum & Expo

Apr 8 - 10, 2015

Chicago, IL

<http://www.paymentssource.com/conferences/card-forum/>

ACT Members receive \$200 off registration

Cartes America

Apr 28-30, 2015

Las Vegas, NV

<http://www.cartes-america.com/>

ACT members receive a registration discount

CNP Expo

May 18 - 21, 2015

Orlando, FL

<http://cardnotpresent.com/cnpexpo/>

Cardware 2015

Jun 16-17, 2015

Niagara Falls, ON

www.cardware.ca

ACT members receive substantial registration discount

Cardware 2015 is just around the corner on June 16th & 17th. Check out our new website at www.cardware.ca to get all the details. Our call for speakers is now closed and that means we are busy putting together the program for Cardware 2015. However, that doesn't mean you have to wait to make your move. Registration is now open (www.cardware.ca/register) and hotel information including how to get a discount for your stay is available as well (www.cardware.ca/delegate-information/location.html). The hotel will fill up quickly, so make your travel arrangements before it is too late.

Our Mobile and Customer Authentication Strategic Leadership Teams (SLTs) will be entering their new terms for 2015 (see below for meeting dates) with new mandates and areas of interest. We encourage members to participate in the kick-off meetings of our SLTs to help determine the mandate and deliverable. If you are interested in attending either or both, please email britteny@actcda.com to confirm your attendance and receive location details and a meeting agenda. The dates are:

- Customer Authentication
 - Thursday February 12th - 2pm - 4pm
- Mobile
 - Wednesday February 25th - 2pm - 4pm
- Payment Acceptance
 - We are currently accepting topic proposals for this SLT as the group is only struck when a specific issue in the market needs to be addressed. If you or your team has a payment acceptance topic



which needs attention from various stakeholders, please let us know by filling out the aforementioned form and return to britteny@actcda.com. Meetings are only scheduled as needed.

You may be interested in another topic in which working with ACT Canada members could help you reach your goals. SLTs are designed as think tanks that lead to change in the market so if that is the case, you may fill out our topic request form to create a new SLT. Please visit <http://www.actcda.com/PDF/act/teams/SLT%20topic%20application.doc> to download the form. If there is sufficient member interest in your proposed SLT, ACT Canada would be pleased to facilitate it under the chairmanship of a representative from your team.

To see the previous mandates of our SLTs please visit <http://www.actcda.com/teams/slts/>. For a general overview of our SLTs please visit [http://www.actcda.com/teams/strategic-leadership-teams-\(slts\)/](http://www.actcda.com/teams/strategic-leadership-teams-(slts)/).

For more information or to join an SLT please contact Britteny Blackman at Britteny@actcda.com.

Articles

1. EDITORIAL COMMENT - WITH PROFOUND SADNESS

Source: Catherine Johnston, President & CEO, ACT Canada (01/30)

I'm sure that editors around the world are thinking these words as they write editorials this month. For me, this editorial is a departure from my normal view of the worlds of payment and identity. Very early in my career I wrote for two newspapers. I was trained to ask questions, to look at both sides of the story and to be fair. Nothing could have prepared me better for life and my eventual career. I still follow these practices. The last one – being fair – is far easier than some might think. Of course, at my age I've had lots of time to practice. I don't expect everyone to agree with my opinions and I accept that other people are entitled to theirs. It is easier when I can differentiate between facts and opinions. I don't expect that other people will be like me. Not everyone shares my likes, dislikes, values, religion, sense of humour or choice of friends. I think that is healthy and that my life is richer for the fact that people are different in many ways.

I abhor all forms of prejudice and believe that if we would celebrate or respect our differences we would come a long way towards everyone's goal of peace in our time. With profound sadness I mourn all those who have lost their lives because of the prejudice of others and I mourn for all people who have been the victims of any type of prejudice.



2. CIBC FIRST CANADIAN BANK TO SUPPORT CLIENT ENROLMENT ON VISA CHECKOUT

Source: Canada Newswire (01/30)

With online shopping continuing to grow in Canada, CIBC announced it has already supported the enrolment of tens of thousands of CIBC credit card holders in Visa Checkout since the bank introduced direct client access to the online payment service through its website last fall, the first Canadian bank to do so. Clients can sign up for Visa Checkout through cibc.com and then use it at a broad selection of online retailers. Once enrolled in this payment service, shoppers simply enter their username and password to securely checkout without ever having to leave a merchant's website. "At CIBC, we are continually looking for new ways to make banking easier for our clients by providing them with innovative solutions that are flexible and easy to use," says Jenny Fagg, Executive Vice-President, Products & Payments, CIBC. "We've made online shopping faster, easier and more secure with the launch of Visa Checkout on cibc.com - another first for our clients."

Visa launched Visa Checkout to simplify online shopping on any device. Whether using a computer, tablet or mobile device, Visa Checkout allows consumers to make online purchases more quickly and easily by eliminating the need to re-enter card and shipping information. Visa uses advanced security technologies to protect cardholder information, including industry standard encryption and multilayer authentication. According to Statistics Canada, e-commerce is a billion dollar industry in this country, with retail e-commerce sales growth at over five times the pace of the overall growth in retail trade. "With more and more Canadians using e-commerce every day, Visa Checkout provides consumers with an intuitive online checkout experience and lets online retailers deliver a simplified and secure digital purchase process to their customers," says Brian Weiner, Vice President, Product and Strategy, Visa Canada.

Once enrolled in Visa Checkout, online shoppers can use any major credit, prepaid or Visa debit card and speed through checkout using only their username and password. Customers can enroll CIBC VISA Credit or Advantage Debit cards, CIBC MasterCard credit cards, as well as other bank cards. Online merchants currently offering Visa Checkout in Canada include London Drugs, Gap, Banana Republic, Old Navy, WestJet, Kobo, 1-800-Flowers.com, Running Room, Cineplex Entertainment, Beyond the Rack, ClearlyContacts.ca, World Vision, lululemon athletica, Staples Canada, Newegg.ca, Orbitz, Ticketmaster, Gymboree and TigerDirect.ca, with more to be announced.

CIBC and Visa are members of ACT Canada; please visit www.cibc.com and www.visa.ca.

3. APPLE PAY'S CANADIAN PLANS

Source: *PYMNTS.com (01/12)*

Apple Pay is heading north, with a Canadian launch planned for early 2015, according to sources cited by 9to5 Mac. The same sources note that Apple and Canadian launch partners are now working through the planned promotion and advertising of the platform geared for March of this year, which may indicate the Canadian could be paying the Apple way as early as Q1 2015. Further, the blog noted that Apple is currently targeting that timeframe very heavily with a strong preference to be out to the Canadian public sooner rather than later. Apple Pay's proposed international expansion has been a topic of conversation for several weeks, as rumors of job postings all over the world have been surfacing in Europe, the Middle East, India and Asia.

Other reports pointed to expansion into the U.K. as the more likely target for international expansion, with recent job postings through Apple indicating that they are looking to fill rolls in the British Isles. March is also the timeframe currently scheduled for the launch of Apple Watch, though that recently has been in some doubt. Apple's new wearable will be integrated with the tech and allow iPhone 5 users to make use of Apple Pay. Apple's U.S. webpage for the device says the Watch will launch in early 2015, while other regions, including Canada, simply state "available in 2015."

4. RBC FIRST BANK IN NORTH AMERICA WITH HOST CARD EMULATION

Source: *Canada Newswire (2014/12/18)*

RBC announced the addition of Host Card Emulation (HCE) to the RBC Mobile app, allowing Canadians to pay with most Android mobile phones without worrying about being on the right mobile network or having the right SIM card. RBC is the first North American financial institution to develop a HCE payment solution, providing more clients with more choice. HCE allows clients to use any near field communication (NFC) enabled Android phone to pay at the point of sale with the RBC Mobile app anywhere in the world. The new solution will be first available to a group of RBC employees, allowing them to pay with their RBC Interac Debit card, leveraging Interac Flash contactless functionality. Visa and MasterCard will be added shortly. "We are committed to providing our clients with the most innovative, convenient and secure solutions to pay how they want, when they want - HCE is a critical step," said Linda Mantia, Executive Vice-President of Digital, Payments and Cards, RBC. "HCE makes RBC Secure Cloud mobile payments even easier to use."

The employee pilot begins on December 18, 2014 and will run through winter. This pilot will allow RBC employees to test HCE on most Android devices and mobile networks using their RBC Interac Debit card. Credit cards and other value-added services will be coming shortly. "As a leading innovator within the



Canadian payments space, we are pleased to support RBC on the addition of HCE to the RBC Mobile app," said Mark O'Connell, president and CEO, Interac Association and Acxsys Corporation.

Royal Bank of Canada, Interac, MasterCard and Visa are members of ACT Canada; please visit www.rbc.com; www.interac.ca; www.mastercard.ca and www.visa.ca.

5. TORONTO SUBWAY GETS CARD PAYMENT OPTION

Source: Finextra (2014/12/17)

From next month, Toronto's commuters will finally be able to pay for subway journeys with their debit and credit cards, although contactless payments on the city's antiquated public transport network are still some way off. Currently, people buying tokens and tickets at Toronto's subway stations have to pay cash but from 1 January they will be able to use their card when buying at least 10 thanks to a new point-of-sale system. The Toronto Transit Commission says that it is also "exploring" the option of adding contactless bank card payments for single cash fares later next year. Speaking at a press conference at Victoria Park subway station, Toronto's new mayor, John Tory, told reporters: "In a global city like Toronto, the idea that most transactions would have to take place with cash is almost prehistoric."

The option to pay for tickets and tokens by card is a stop-gap measure as Toronto gradually rolls out a contactless payments system similar to London's Oyster across its public transport network. The Presto system is slated to be implemented at all subway stations and buses over the next two years, although the city's streetcar passengers will have to wait longer.

Metrolinx is a member of ACT Canada, please visit www.metrolinx.com.

6. APRIVA AND POS ON CLOUD ANNOUNCE STRATEGIC TECHNOLOGY PARTNERSHIP

Source: Apriva (01/13)

Apriva announced a new strategic technology partnership with POS on Cloud, a provider of cloud-based point of sale (POS) software-as-a-service (SaaS) supporting the restaurant, retail, and service industry verticals. With the partnership, POS on Cloud's point of sale solution and the Apriva Gateway will be integrated, enabling Independent Sales Organizations (ISOs) to provide restaurateurs and retailers complete solutions combining hardware, software and gateway services. In addition, POS on Cloud and Apriva will begin offering the combined solution to their respective ISO networks providing the channel with an easy-to-install solution supporting any type of payment which ties to all backend



items, including inventory management, reporting, accounting and email marketing. “Our relationship with Apriva allows us to deliver a robust, cloud-based solution that meets merchant needs for security, scalability, and the flexibility to accept the payment methods that make sense for their business,” said Dr. Sunny Dronawat, CEO of POS on Cloud. “We look forward to working closely with Apriva to meet merchant and reseller needs, as well as expanding the relationship beyond the restaurant and retail verticals in the future.”

POS on Cloud is a cloud-based, premium POS solution that makes it easy and affordable for merchants to manage and grow their business without requiring significant capital or time investment. Operating in the cloud and independent of hardware, POS on Cloud reduces concerns regarding data storage or loss in the event of a malfunctioning system. In addition, POS on Cloud provides superior data security such as end to end encryption and tokenization, ensuring customer credit and debit card information remains protected. Leveraging the Apriva Gateway, POS on Cloud provides merchants the ability to accept a variety of payment methods. “Cloud technologies are pervasive and many restaurants and retailers already have or are considering a cloud POS solution because of the efficiency and business value they offer,” said Stacey Finley Tappin, senior vice president for North America sales and marketing communications at Apriva. “Our relationship with POS on Cloud will enable us to provide our channel with a state-of-the-art, cloud-based POS solution that fully integrates with our Gateway. This gives them the ability to create new revenue streams for their business by introducing fully integrated hardware, software and gateway services.”

Apriva's Integration Services Program allows Independent Software Vendors (ISVs), and mobile and embedded developers, to easily implement credit, debit, EBT, loyalty and closed-loop payment processing into their solutions. Once integrated applications and POS solutions can communicate with the Apriva Gateway over a wired or wireless network providing access to payment processing providers. Apriva maintains relationships with more than 35 payment processors in North America, along with all leading wireless carriers, and currently works with more than 1,000 merchant acquirers and ISOs across the United States and Canada.

Apriva is a member of ACT Canada; please visit www.apriva.com.

7. "LA SOCIETE DE L'ASSURANCE AUTOMOBILE DU QUEBEC" SELECTS GEMALTO'S END-TO-END SOLUTION FOR ITS SECURE DRIVER'S LICENSE PROGRAM

Source: Gemalto (2014/12/10)

Gemalto has signed a multi-year contract with "La Societe de l'assurance automobile du Quebec" (SAAQ) to provide the new license for Quebec drivers. The complete solution combines the Sealys Secure Document and the field-proven Coesys Issuance Solution that address the government's goal of reinforcing the



identity protection for driver's license holders in Quebec. Gemalto also provides the full set-up and maintenance of SAAQ's personalization infrastructure. This allows the SAAQ to offer Quebec drivers a seamless and speedy renewal service when obtaining their new driver's license. Gemalto's high end polycarbonate card replaces the traditional approach of printing graphic images and text onto the plastic card body to reduce document forgery. This additional layer of protection is based on advanced laser engraving techniques that embed the individual's information into the card during the personalization process. The benefit for Quebec's drivers is twofold: a more secure form of identity in addition to an extended duration of the driver's license.

"With one of the largest security teams and over 120 years of experience, Gemalto is well-positioned to provide advanced card personalization solutions in addition to the issuance of secure documents," said Neville Pattinson, Senior Vice President of Government Programs for North America at Gemalto. "With this combination, we are able to fuse together the security features present in the card with the data and images applied during personalization and greatly reduce the ability to tamper or forge the document."

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

8. AMEX CREATES NEW HUB TO BUILD CAPABILITIES IN BIG DATA, CLOUD COMPUTING & MOBILE

Source: Let's Talk Payments (2014/12/13)

American Express recently announced the launch of a new technology hub in Palo Alto in order to expand its presence further in Silicon Valley. The team assembled for the new hub focusing on innovations in big data, cloud computing and mobile infrastructure. The new hub also houses the American Express Ventures team, which since 2011 has been investing in early stage start-ups in the areas of digital commerce, financial inclusion and core capabilities such as data and analytics, security and servicing. Over time, American Express expects to employ some 200 individuals for the hub. The company is looking forward to cultivate the technology talent and build skills locally at technology firms, in the start-up community and at area universities.

The company's recent technology-driven innovations include American Express Card availability on Apple Pay, and the capability for eligible U.S. Card Members enrolled in the Membership Rewards program to redeem points in select McDonald's restaurants, through the Uber app and in certain New York City taxicabs. Last month, the Technology team announced the redesign of its customer website, which employs responsive design that delivers a high-quality web experience across all form factors – desktops, laptops and mobile devices. Marc Gordon, Executive VP and CIO at Amex, said in an official press release: "Technology innovation is driving the company's ongoing digital transformation, and our team in Silicon Valley is focusing on core capabilities that we expect to be



key to our ability to continue to innovate and move our business forward. By developing infrastructure and frameworks to be used broadly across the organization, the team in Palo Alto will play a crucial role in our global business growth and future success.”

Nik Sathe, CTO at Amex, said in an official press release: “The Silicon Valley is rich in technology talent who will be instrumental in building the platforms that enable the delivery of products and services that continue to enhance our customers’ experience and address their ever-evolving needs. Engineers at American Express have the opportunity to scale their impact across hundreds of our developers and millions of our loyal customers around the globe. We’re excited to be able to tap into the Silicon Valley talent pool to grow this team and set up our business for long-term success.”

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

9. AMAZON DITCHES MOBILE WALLET OFFERING

Source: Payments Business (01/22)

Amazon has pulled the plug on its mobile wallet, a mere six months after the limited offering launched. The e-commerce company began informing users by email on Tuesday that it planned to shut down the beta and remove the app from stores on Wednesday. Users will still be able to use any gift, loyalty or membership cards stored on the app, but balances will no longer be updated, meaning that users will have to track them themselves. Amazon Wallet was launched in late July, allowed users to store and manage gift, store and loyalty cards for in-person and online transactions on the app. The limited offering was met by negative reviews, as, unlike its many competitors, it could not be used to manage credit or debit cards. It faced the most trouble from in-store use, with reviewers noting that they were unable to find a merchant able to scan the app, and that it did not work with the Amazon Fire Phone, which has faced its own criticism.

Amazon did not address whether the wallet would return to a very competitive market. Apple Pay is evidently doing well with those willing to shell out for the new handset required. Google and PayPal, who have been in the mobile payments market for some time but have yet to make it big, are reportedly both approaching payments startup Softcard in order to raise their game. It may be that Amazon focused on m-commerce rather than in-store payments for a time, or comes back with a streamlined wallet offering.

10. WHETHER AS A PLUG-IN OR IN EMBEDDED FORM – THE SKYSIM CX HERCULES FROM G&D MAKES MOBILE TRANSACTIONS MORE CONVENIENT AND FUTURE-PROOF

Source: Giesecke & Devrient (2014/12/17)

Mobile devices are increasingly being used for mobile transactions such as electronic payments, as well as for digital tickets and for authentication in physical access control systems in secure areas. Such use involves the exchange of highly sensitive personal data, which makes security a top priority. The Munich-based technology group Giesecke & Devrient (G&D) is now presenting the new SkySIM CX Hercules for use in these scenarios. The combination of the new chip design and software allows multiple applications to be run simultaneously, securely, and at high speed. The solution has been approved by American Express, MasterCard, the People's Bank of China (PBOC), and Visa, and thus meets the requirements for secure payments. In terms of ticketing and physical access control systems, the product supports the MIFARE, CIPURSE, and Calypso standards.

People are becoming increasingly mobile and want to use their mobile devices anywhere and at any time. The more often mobile transactions are processed in day-to-day life, the higher the volume of sensitive data that is involved and transmitted over public channels. Users not only want their transactions to be processed quickly, they also demand maximum protection for their data. With the new platform from G&D, device manufacturers and mobile network operators are able to offer their customers several options for secure mobile payments. The product is based on the latest chip from ST Microelectronics, and G&D is the very first manufacturer to offer a solution that has obtained all relevant certifications from Visa, MasterCard, American Express, and the People's Bank of China (PBOC). End customers can therefore rest assured that their mobile payments will be processed conveniently, quickly, and in accordance with the most stringent security standards. Since the product also supports the MIFARE (Classic, DESFire EV1), CIPURSE, and Calypso standards, users also have the option of using their device as an electronic ticket, for example in public transport or at events of any kind, and for identifying themselves when passing through physical access control systems.

The SkySIM CX Hercules from G&D is based on a powerful processor that executes transactions at high speed. What's more, the solution from G&D is the first platform in its category to offer sufficient storage capacity to run several different applications. The fast, certified operating system is based on pioneering standards and allows several applications to be run simultaneously. The SkySIM CX Hercules can be used both as a conventional plug-in card and as an embedded Secure Element (eSE) with additional interfaces to key components in the mobile device. This ensures that a secure connection is established with the application processor in the phone, and provides an additional layer of security for mobile services. The range of benefits means device manufacturers and mobile network operators can take a more long-term approach to their planning – costly platform



changes will not be needed for a long time and this, in turn, protects capital expenditure over the long term.

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

11. BEST BUY CANADA CHOOSES DESJARDINS TO MANAGE ITS PRIVATE LABEL CREDIT CARD PORTFOLIO

Source: Desjardins (01/07)

Best Buy Canada Ltd. and Desjardins Group have announced a new partnership to better serve customers nationwide. The partnership sees Desjardins, through its Card and Payment Services business unit, acquiring both the Best Buy Canada and Future Shop private-label credit card portfolios. “Desjardins is proud to partner with Best Buy Canada Ltd., and contribute to their commitment to serving customers with the utmost care,” said Andre Chatelain, managing vice-president and general manager of Desjardins Card and Payment Services. “We have no doubt that our financing solutions will further set Best Buy Canada, Ltd. apart in a highly competitive industry.” Along with the two branded credit card portfolios, Desjardins will also be acquiring most outstanding loans and client accounts. In addition, all Best Buy Canada and Future Shop stores nationwide will offer Desjardins' Accord D financing, a one-of-a-kind product to finance in-store purchases.

“We pride ourselves on creating an unparalleled shopping experience in-store and online, and we’re thrilled to partner with Desjardins to offer their competitive financing solutions to our customers,” said Philippe Arrata, senior vice president for Best Buy Canada Ltd. “We’re confident that the innovations produced by our companies will create a strong business relationship that will benefit our current and future cardholders most of all.”

Desjardins Group is a member of ACT Canada; please visit www.desjardins.com.

12. TSYS SELECTS B2 PAYMENT SOLUTIONS AND TRANSEND FOR EMV

Source: B2 Payment Solutions (01/30)

B2 Payment Solutions Inc. (B2) today announced that the company and its U.S. reseller, TranSEND IT, Inc., have been selected by TSYS to provide EMV and contactless test tools, certification tools and consulting services to support TSYS and its acquiring clients, VARs and merchants as the U.S. migrates to EMV. TSYS EMV Implementation Guide is now available and was developed in conjunction with B2. “The TSYS EMV Implementation Guide, jointly developed with B2, will provide our partners with critical information required to develop their EMV



migration projects. Also the Collis Merchant Test Suite has been a tremendous asset as we test and certify EMV solutions,” said William Lodes, Director of Developer Partnerships at TSYS. B2 exclusively distributes and supports the Collis line of payment test tools, which include the Collis Merchant Test Suite, in the North American market. The Collis products are developed by UL, (Underwriters Laboratory). “Together with our U.S. reseller, TranSEND, B2 is excited to work with one of the largest payment processors in the U.S.,” said Bruce Murray, president of B2 Payment Solutions Inc.

B2 Payment Solutions and TSYS are members of ACT Canada; please visit www.b2ps.com and www.tsys.com.

13. VERIFONE OFFERS MERCHANTS A SINGLE MPOS PAYMENT TERMINAL TO SUPPORT ALL MAJOR SMART DEVICE OPTIONS

Source: Verifone (01/10)

Deploying smartphones and tablets as mobile points of sale often requires integration with a mobile payment terminal in order to add the security, durability and functionality that merchants need. However, as new generations of smart devices are released, the form factors and other aspects of the devices frequently change. This often requires merchants to upgrade both their consumer technology and mPOS terminal. Additionally, the market for integrated mPOS terminals has generally focused on a single OS, limiting options for merchants who want more flexibility and better integration into their back end systems.

The PAYware Mobile e355, the newest mPOS terminal in the Verifone Mobile suite of products, frees merchants from consumer technology upgrade cycles and adapts to multiple OS options. It is a flexible, long-lasting device that can accommodate different form factors and outlive smartphone and tablet models. This enables merchants to make long-term investments in mPOS, at a much lower cost of ownership. Furthermore, it supports all of the major OS options, including Android, iOS and Windows. “The prospect of having to purchase new mPOS devices for sales associates when smartphones and tablets are upgraded has been a major inhibitor to mPOS investment among retailers,” said Mark Shockley, senior vice president of Mobile Solutions for Verifone. “Verifone’s single, modular solution will offer the ultimate in mPOS flexibility, allowing it to persist across changes in devices, even if somebody wants to make a complete switch from one OS to another.”

All Of The Functionality Needed For Untethered Commerce

This new Verifone mPOS terminal helps retailers meet the rapidly evolving needs of an increasingly mobile retail environment, and includes all of the functionality needed to enable commerce from anywhere inside or outside the store. Verifone’s mobile solution:



- Accepts all payment types, including EMV, NFC, Apple Pay, and traditional magnetic stripe
- Features an optional bar code scanner, making it ideal for multiple use cases
- Supports Wi-Fi, Bluetooth and USB connectivity
- The PAYware Mobile e355 will be available in late summer 2015.

Support For Verifone's Secure Commerce Architecture

This new mPOS terminal will also support Verifone's Secure Commerce Architecture (SCA) solution, which eliminates the flow of consumer payment data into the merchant's integrated point of sale (IPOS) system, and enables encrypted delivery of this data from the POS terminal directly to the merchant's processor. SCA removes the IPOS from the scope of EMV certification, greatly reducing the burden for clients; and eliminates the potential for this data to be stolen at scale.

Verifone is a member of ACT Canada; please visit www.verifone.com.

14. MASTERCARD CERTIFIES ANYWHERECOMMERCE'S NOMAD 2.0 PAYMENT ACCEPTANCE DEVICE

Source: AnywhereCommerce (01/20)

AnywhereCommerce announced that Nomad 2.0, its innovative mobile point-of-sale (mPOS) device for chip-card and magnetic stripe card acceptance, has been certified for MasterCard's Mobile-Point-of-Sale Program. As a result, the device is now recognized by MasterCard for meeting industry standards for protecting confidential information and ensuring data security. Patricia Bateson, Vice President, Mobile POS for MasterCard said "MasterCard is pleased to welcome AnywhereCommerce to the MasterCard Mobile POS program, the launch of Nomad 2.0 will help broaden and transform commerce opportunities for small merchants, allowing them to grow their business."

"We are very pleased that Nomad 2.0 has achieved certification in MasterCard's Mobile Point-of-Sale Program," said William Nichols, chief executive officer for AnywhereCommerce. "This device is an extension of our company's longstanding commitment to deliver solutions that offer the highest level of data protection to everyone in the payments ecosystem, including processors, merchants, and of course, consumers. We understand that in every market we serve, maintaining robust security is of paramount importance. AnywhereCommerce will continue to lead the industry by bringing products to market that will exceed the most stringent security standards." A compact, lightweight device, Nomad 2.0 supports multiple card-present payment method options, including debit, credit, gift and loyalty card transactions through both magnetic stripe technology and EMV Chip-and-PIN functionalities. It is PCI-compliant, EMVCo L1, L2 certified, support SRED (Secure Reading and Exchange



of Data,) and has built-in secure Bluetooth and USB capability. Nomad 2.0 is compatible with most operating systems, including Android, iOS, Windows 8 and Windows Phone 8 mobile and tablet platforms.

AnywhereCommerce products are recognized worldwide for quality and reliability, and are in use throughout numerous markets. AnywhereCommerce payment acceptance devices utilize a variety of sophisticated connectivity and secure encryption technologies — from USB and Bluetooth to patented audio jack connectivity — that transforms smartphones and tablets into fully featured, highly secure mobile card payments acceptance terminals.

AnywhereCommerce and MasterCard are members of ACT Canada; please visit www.anywherecommerce.com and www.mastercard.ca.

15. CHINA MERCHANT BANK ADOPTS NXP'S SOLUTIONS FOR MOBILE PAYMENTS

Source: Let's Talk Payments (2014/12/24)

NXP Semiconductors recently announced the adoption of its mobile payment solution by China Merchants Bank (CMB) for its latest financial product 'All in One Mobile'. The move enables NXP to become a core partner of CMB for its industrial innovation. NXP also received recognition by key Chinese banks as well as China UnionPay. With the rapid growth of smart phones and mobile internet, the market for emerging value-added applications such as mobile payments has seen explosive growth. Analysys International, China's leading technology research and consulting organization, forecasts that by 2015, the mobile payment market in China will reach USD 116.8 billion. As Government requirements for licensing and technical standards become clearer and an increasing number of new technologies and companies emerge, China's mobile payment market is developing rapidly. The industry is seeing an array of new applications, due to the close correlation between personal devices and information, and the intimate connection between mobile payment and daily lives.

NXP is a globally-leading provider of Near Field Communication (NFC) technology, providing protection to financial transactions with a total value exceeding hundreds of millions of dollars. NXP secure connection solutions have been adopted by major local and foreign mobile brands. The launch of CMB's 'All in One Mobile' is another reflection of NXP's proactive industry innovation in order to construct an eco-system for mobile transactions. 'All in One Mobile' enables secure payment of large and small amount mobile phone payment through secure connections, and allows the deposit and withdrawal of cash at ATMs through mobile phones. At present about 4 million POS terminals and 10,000 CMB's ATMs support 'All in One Mobile', allowing users to carry out a range of banking activities through their mobile phones. In the future, 500,000 ATMs with "Union Pay" logo will support this function.

16. MASTERCARD AND DYNAMICS INC. PARTNER TO DRIVE INNOVATION WITHIN INTERACTIVE PAYMENT CARD MARKET

Source: MasterCard (2014/12/08)

MasterCard and Dynamics Inc. also announced a joint commercial initiative to drive innovation in the interactive payment card market. The collaboration enables MasterCard to offer exclusive Dynamics products to its issuers globally, providing consumers with added choice, flexibility and security at the point of sale. Dynamics technology and manufacturing capabilities produce payment cards that enable issuers to meaningfully differentiate their card products and to provide extraordinary payment functionality to their cardholders. Dynamics next-generation interactive payment cards are built with features such as buttons, displays and LEDs. These technologies provide consumers greater card functionality including the ability to select applications that are stored directly on the card itself, all with the assurance that every card is completely compatible with existing POS terminals. Dynamics also pairs their card technology with interactive mobile applications to help move the consumer that much farther into the digital world.

The technologies have many practical applications and will allow issuers to offer multiple consumer features and functions in one card. This includes cards that offer consumers multiple selectable currencies, access to both debit and credit accounts, and cards with a co-brand that offer credit or debit in conjunction with a separate loyalty application. As safety and security in everyday payments is at the heart of MasterCard's business, its expertise in these areas will also enable the companies to develop new security-oriented products on a global scale while continuing to allow consumers the choice of how they pay. Working together, MasterCard and Dynamics will deliver to issuers innovative payment cards for a global consumer base that continues to move away from cash and seeks personal technologies that deliver convenience and security for their daily lives.

"Interactive payment cards give cardholders an unprecedented level of customization, control, and security at each and every purchase at any point-of-sale device in the world," said Jeff Mullen, Chief Executive Officer, Dynamics. "With interactive payment cards, banks can expand card offerings by providing cardholders with several additional on-card payment options that cardholders can select at each purchase. By giving consumers easy access to additional options, banks can enable several business models on a single card while building brand and an enhanced cardholder relationship with each purchase." "At MasterCard, we are focused on driving innovation across the entire payments industry, and continue to invest in the technologies, solutions and companies that will help our customers and partners expand their business and serve their cardholders in new ways," said Carlos Menendez, Group Executive, Global Credit and Debit Products



at MasterCard. “In working with Dynamics, we have secured a partner with deep technology capabilities and market-leading manufacturing capabilities to help drive innovation in the interactive payment card market while moving in lockstep with MasterCard’s mobile and digital enablement strategy.”

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

17. GOOGLE’S PLAN TO CATCH UP WITH APPLE PAY — SOFTCARD?

Source: Bank Innovation (01/20)

News broke last week that Softcard, formerly known as Isis, may have a suitor in mobile wallet competitor Google. What would be the price tag, considering the hundreds of millions — perhaps even billions — of dollars telcos poured into Isis/Softcard over the past five years? Try \$50 to \$100 million, according to TechCrunch. Not much, maybe, but this sale will allow the telcos to gracefully step out of the mobile wallet battleground they towered over just a few years back. It could also give Google some needed telco support, something it notably lacked when Google Wallet first went live. But will it be enough to help Google overtake Apple? Android does have 60% of the smartphone market, so in terms of mobile payments, there is plenty of room to maneuver, and Apple Pay has moved NFC back to the front of the queue. There is little adoption or customer loyalty to speak of in Softcard, but perhaps the goodwill from the wireless carriers is enough.

Seeking Alpha is more bullish on the union, and mentions PayPal as another potential suitor. Here are the benefits, as outlined by the blog:

- Softcard enjoys the support of American Express and Wells Fargo
- Google can use Softcard’s patents and existing list of clients and partners to improve its Google Wallet product
- Softcard is already available in 200,000 merchant locations
- The point-of-sale network is ready to serve millions of Android phone users

Experian’s Cherian Abraham, who predicts 2015 payments at Starbucks will be 5x Apple Pay payments during the same period, notes that Google is lousy at integration (in payments) and questions any meaningful tech benefits from the match. On Twitter, Noyes noted in his typical cryptic, oracular fashion that Google gains “no IP, no People, no platform.. ‘carrier payment relationship’ I’ll write more in 2 months.” Merchants are always the tripping point in mobile payments — if merchants don’t accept mobile payments, customers will pull out their cards. A recent whitepaper by Austin, Texas-based mobile software providers Malauzai outlines the history of credit cards, tracing their origins to credit extended by merchants in the early 20th century in the form of paper notes or cards for valued customers. Saying that true commerce innovation has to begin at the merchant level is nothing new.

MCX was carrying this banner, but the company is not expected to compete with ApplePay in a significant way. On a smaller scale, LevelUp, which uses QR



codes at its POS terminals, has been quietly playing this strategy and has scored wins with quick service restaurants like Argo Tea and Gregory's Coffee signing on to its platform-agnostic app. Starbucks has shown this is the way to win mobile payments, but has not yet begun rolling out its own long-expected, white-label solution. This has allowed LevelUp to continue gathering morning beverage merchants and quietly work its way into customers' lives. And that's really the name of the game: transactions. When the data is in, which digital wallet provider will have logged the most transactions in 2015? Probably not Softcard, Google or not.

18. TSYS, INGENICO ENABLE EMV, NFC AND APPLE PAY FOR POS SOLUTIONS

Source: PYMNTS.com (01/23)

TSYS, along with Ingenico Group, recently announced a new agreement to offer merchants a seamless and secure solution for accepting all payment types, according to a company release. These payment types include magnetic stripe, EMV, NFC and Apple Pay. TSYS's new payment application, INGEMV2, will run on selected versions of Ingenico Group smart terminals, the company says. According to TSYS, their combined offering with Ingenico Group "will give businesses a complete solution for securely processing EMV, NFC and Apple Pay transactions, while providing advanced security features such as encryption and tokenization to guard against credit fraud." "Our relationship with Ingenico Group and its industry-leading expertise in EMV and NFC enabled TSYS to be among the first processors to be certified for Apple Pay," said Craig Ludwig, senior director and head of product for TSYS' Merchant Services segment, in the release. The INGEMV2 payment application, he added, takes uses the Ingenico POS feature to allow customers to securely use Apple Pay and other contactless payment methods.

To offer front-line support for a complete end-to-end payment solution for merchants, TSYS also become the first processor to Class A certify Ingenico Group's new PCI 3.0-certified smart products: the iCT 220 Contactless and iPP310 PIN pad. According to Bernie Frey, SVP Acquirer Sales, Ingenico Group North America, the new products aim to address the "unprecedented demand for field upgrades that EMV and Apple Pay are creating." That gives TSYS customers access to the latest in EMV and NFC technology, he said in the release. "Together, we help merchants realize the value and security that EMV and NFC provide."

TSYS and Ingenico are members of ACT Canada; please visit www.tsys.com and www.ingenico.com.

19. APPLE JUST STARTED AN APP ECONOMY EQUIVALENT IN NFC POS

Source: *Let's Talk Payments* (2014/12/22)

In 2007, Apple gave the chance to developers to develop apps and publish apps on the app store which developers could use. Apple supported this platform and is continuing to do so. Not in an exact one-to-one analogy, but Apple is trying to do the same for POS players. From the consumer perspective, Apple has brought its contactless mobile payments service Apple Pay bringing in both hardware and software payments solutions. On the merchant side, it is now allowing developers to bring in both hardware and software solutions to incorporate Apple Pay for merchants. Here are 9 such POS players who have prioritized the integration of Apple Pay into their service offerings:

Shopkeep

Shopkeep adopted brought support for Apple Pay on October 15th by releasing a dedicated NFC for Apple Pay card reader. The new card reader provides merchants and consumers with an added layer of security because of the two-factor authentication needed for EMV smart card payments and contactless payments, such as Apple Pay. Shopkeep provides cloud-based point of sale software for managing retail shops, bars and restaurants. ShopKeep allows business owners nationwide to set-up their registers in minutes, accept cash and credit cards with their choice of processor, view real-time sales on their smartphone and easily track inventory and staff.

Poynt

The startup came into spotlight on October 29th bringing in a 'smart' payment terminal. While current payment terminals typically support one or two payment methods, the Poynt Smart Terminal has traditional cards, EMV (chip and PIN), NFC (Apple Pay and Google Wallet), Bluetooth and QR code built into one device. It features a dual touchscreen design that combines a 7" merchant-facing screen, a second 4.3" customer-facing screen, printer, barcode scanner and wireless connectivity into a single package.

Clover

Clover Network Inc., which makes the Clover tablet-based point-of-sale system, incorporated support for Apple Pay on September 9th. Clover is owned by First Data Corp., a payment processor that is one of the initial supporters of Apple Pay. The Clover POS system is able to accept Apple Pay contactless transactions using a First Data Corp. PIN pad that has a built-in contactless reader and smart card reader for Europay-MasterCard-Visa (EMV) transactions. First Data's support of Apple Pay marked another milestone in First Data's transformation from a payments processor to a solutions provider.



Merchant Link

On December 4th, Merchant Link, a leading provider of payment gateway and data security solutions, announced the release of its Apple Pay contactless payment solutions for MICROS integrated point-of-sale systems. The Apple Pay contactless solutions use both Verifone and ViVOtech hardware devices. Merchant Link recently completed end-to-end testing and transaction processing of Apple Pay payments, securely, on the MICROS RES 3700, Symphony, and 9700 Restaurant integrated point-of-sale systems. The solutions are available for point-of-sale systems that have been certified by Merchant Link for contactless.

ID TECH

On October 2nd, ID TECH, a manufacturer of secure payment solutions, mobile payment, point of sale and digital signage, announced that its contactless readers support Apple Pay. ID TECH's contactless product line has a variety of product offerings from all-in-one NFC, magstripe and EMV payment terminals to contactless and NFC-only reader modules. ID TECH's ViVOPay 4800, ViVOPay 5000 and Xpress CM100 are products for merchants to integrate contactless payment acceptance into existing point-of-sale systems to support NFC and Apple Pay.

TouchBistro

On October 30th, the company announced its partnership with Merchant Warehouse to bring support for Apple Pay and other payment systems to the TouchBistro POS solution. TouchBistro uses the highly secure Merchant Warehouse Genius Customer Engagement Platform to process payments made via the TouchBistro POS solution. Genius supports mobile commerce using technologies such as NFC and QR codes, and is designed to accept all current and future payment types. With Genius and TouchBistro, food service businesses of any size are ready to accept Apple Pay and other NFC-enabled mobile payment solutions instantly.

Revel Systems

On September 11th, Revel Systems, a provider of iPad Point of Sale Solutions, announced that it is Apple Pay ready by Chase, and will accept Apple Pay payments via Chase Paymentech. To begin utilizing Apple Pay, Revel clients are required to create an account with Chase. This will work independently from the customer's merchant account unless he or she wishes to use Chase as their merchant account as well. Revel will allow the end user (the merchant) to decide which merchant account is best for their business. Revel's versatile and flexible platform is a major reason its customers are signing on.

Bindo

On September 11th, the company announced support for Apple Pay and other NFC based contactless payment systems. Bindo's new NFC-enabled mPOS reader operates over Bluetooth Low Energy and wireless technology. Using the most advanced technology, it is able to accept EMV chip and signature, chip and pin devices, and, of course, magnetic swipe. Bindo's mobile contactless payment operates on an EMV-based payments infrastructure. Bindo will also be releasing Bindo Marketplace: a consumer app that aggregates all of the stores using Bindo POS onto one platform, allowing consumers to purchase directly online from their favorite neighborhood store, and have their orders delivered.

iConnect

On December 3rd, the company released a video demonstrating support for Apple Pay by its POS system. The iConnect POS is attached to a POWA stand, which has a number of hardware devices built in. To accept Apple Pay today, a simple Verifone NFC device is attached. The iConnect POS platform is designed for Mac and PC desktops and laptops, iPads and iPhones. The Web application is responsive and works on any Internet-enabled device including Android tablets. The iConnect team puts customer feedback first, correlating the newly added features and improvements directly with suggestions from the current customer base.

20. 8 MOBILE WALLETS ENABLING CONTACTLESS PAYMENTS VIA CRYPTO-CURRENCY

Source: Let's Talk Payments (01/16)

A growing number of developers in the digital currency space are looking to contactless technologies to simplify and speed up secure payments. A number of crypto-currency wallet providers are leveraging technologies like NFC to keep up with the growing adoption of contactless payments and enable virtual currencies to be part of mainstream mobile payments. Here are some companies taking initiatives in this regard:

Airbitz

The Airbitz mobile wallet allows users the ability to send Bitcoin with Bluetooth, a cool feature that would make Bitcoin transactions possible even when cell service is not available. If a QR code is not available, users can simply send funds through Bluetooth rather than going through the tedious process of typing out a complete Bitcoin address. The wallet itself features a built in business directory of brick and mortar stores and online websites that accept Bitcoin. The app has a directory tab which will display the location and current distance from all businesses that accept Bitcoin in the user's vicinity.

BitPay

The bitcoin payments processor had unveiled its Bitcoin Checkout app last year that brought one-tap payments to cryptocurrency. The Bitcoin Checkout app works with every bitcoin wallet on any device — users can scan the QR code and be done in a few clicks. However, the NFC functionality that enables the one-touch payment is only available for Android devices. The company has also integrated SumUp, a European POS company, into its own system to allow SumUp to accept Bitcoin. The app supports 40 different languages and includes a number of features like multi-employee checkout, tipping and tip reporting.

Circle

The bitcoin wallet and payments service has integrated near-field communication (NFC), enabling users to transact with its Android app wherever bitcoin and NFC are accepted. Touchless mobile payments are currently available for select Circle users. Circle also offers a digital money platform that delivers streamlined, user-friendly functionality similar to that of traditional online payment tools. The company had released the native mobile wallet apps for Android and iOS in November last year. The apps earlier enabled in-person transactions using QR Codes.

Coinbase

The popular bitcoin wallet enables transfer of bitcoins via email, QR code and NFC as well. Coinbase is a hosted bitcoin wallet, which means that users access the same account on their phone as in their web browser, and updates between the two are instantaneous. Users' money is stored securely in the cloud (with 90% offline in secure storage), so if they lose their phone, their money is still safe. Users can even remotely disable access to their phone (if it's lost or stolen).

Coinplug

Coinplug is exploring other options in “online-to-offline” (O2O) payments. Post a recent update, Coinplug's Android wallets now allow users to send and receive bitcoin via NFC on compatible devices, rather than with QR codes. The company has launched out a rolling pre-paid bitcoin purchasing service to around 24,000 convenience stores in South Korea, with 8,000 7-Eleven stores already participating. The company raised \$2.5 Mn in funding in October last year.

Hive

The Hive Legacy bitcoin wallet by Hive Labs enables touch-to-pay via NFC. It allows users to click on Bitcoin payment links from within your Android phone or tablet's browser. Transaction data can also be transferred through Bluetooth, and users can back up encrypted copies of their account as well. The app has support



for payment protocol BIP70 for increased security, reliability and speed in making payments.

LazyCoins

The UK-based altcoin exchange recently announced the re-launch of their online exchange, along with a mobile app for payments and merchant services. LazyCoins' LazyPay mobile wallet is in the final stages of development and supports NFC for faster payments. LazyCoins itself was launched to the public in beta version back in July last year. The company is ready to launch its services after successful QA and security penetration tests from a reputable security firm. It is currently pursuing the necessary legal requirements with HMRC and other regulatory bodies to ensure full compliance before LazyPay services are officially launched.

Mycelium

One of the bigger features added in the recent update of this mobile wallet is the support for Near Field Communications (NFC) payments. Instead of having to scan a QR code, users who are paying a merchant can just hold their phone over an NFC terminal, and the correct amount will pop up. With one touch of the screen, the payment is sent. Users will also be able to use it to pay people with NFC enabled phones by bringing their phone in proximity to another phone. The mobile wallet also offers customizable transaction fees. This feature allows users to adjust their fee to how the network is doing and ensure their transaction is confirmed in an ideal time frame.

21. GEMALTO PREPAID EMV BANKING CARDS EXTEND REACH OF VODACOM M-PESA MOBILE WALLET IN SOUTH AFRICA

Source: Gemalto (01/20)

Gemalto announces the deployment of prepaid EMV banking cards to complement Vodacom's m-pesa mobile wallet service in South Africa. The card is certified by the major international payment schemes and accepted at any of the 240,000 EMV-compliant payment terminals and over 27,000 ATMs throughout the country, which will significantly extend the reach of the leading South African operator's services. Gemalto's off-the-shelf solution for Vodacom encompasses design and production of the card, as well as automatic packaging and point-of-sales delivery. The card links seamlessly to m-pesa accounts, and gives users the freedom to make payments for goods and services without the need to carry cash. Because an efficient distribution network is a prerequisite for success in the prepaid market, the m-pesa card is available direct from 8,000 Vodacom agents and enrollment with the company's secure system is a quick and easy process. Users can check current balances via the mobile wallet app and receive SMS



alerts when funds are running low. Furthermore, because it is a PIN-protected virtual account, the user's credit remains safe even if the card is lost or stolen.

"Gemalto offered us the convenience of a fully packaged solution," said Herman Singh, Managing Executive of m-commerce at Vodacom. "By expanding our m-pesa mobile wallet offering with the banking card, we've been able to add an entirely new level of functionality which we think is critical to the success of m-pesa in South Africa." "With this new project, Vodacom becomes the first mobile operator to initiate the large-scale rollout of an EMV banking card that is accepted anywhere," said Thierry Mesnard, Senior Vice President for Africa at Gemalto. "This innovative deployment highlights just how quickly the worlds of banking, retail and mobile communications are changing. Positioned at the very heart of these converging trends and technologies, Gemalto is glad to offer its support to this endeavor aimed at offering greater convenience, security and social inclusion".

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

22. SQUARE ADOPTS APPLE'S TOUCH ID FOR ITS PAYMENTS SERVICES

Source: Let's Talk Payments (01/08)

The iOS version of the Square Cash app has been updated recently to incorporate a long overdue feature. Now you can authenticate money transfers using Touch ID, Apple's biometric innovation. Square Cash, Venmo's competitor, acts as a free-of-charge remittance app. Square Cash users, using iPhone 5S and later models, will be able to make use of the seamless biometric feature by updating their apps. Since its launch, the peer-to-peer money transfer app offered security in the form of a passcode lock and 128-bit encryption. The new add-on layer of security is the right move for Square, keeping up with the current trends in biometrics technology adoption. Square Cash's competitor Venmo already integrated Touch ID in November last year while the PayPal iOS app is poised to integrate it soon. Along with the Touch ID integration, Square Cash is also offering a cash bonus to promote its adoption. Now you can get a \$5 bonus for each successful referral to the service.

Apple's Touch ID has witnessed wide-scale adoption in many use cases like unlocking device, payments authentication and others. Banks, fintech and commerce companies have been actively making use of the seamless biometric tool. This is the first time that Square has adopted Touch ID for one of its apps even though Square Cash has been rolling out updates from time to time to bring in new features. In October last year, Square Cash adopted the use of BLE (Bluetooth low energy) technology for its money transfer service. The Touch ID integration would further help in uptake of the app with respect to its competitors. Since the launch of Touch ID back in 2013, Square founder Jack Dorsey has been all positive on the technology. It was therefore expected that Square would adopt

the technology sooner for its solutions. The popularity of the Apple Pay payment system has shown how effective Touch ID can be in authenticating payments.

23. DEUTSCHE TELEKOM AG USES NFC SIM CARDS FEATURING A CIPURSE APPLLET FROM G&D

Source: Giesecke & Devrient (2014/12/05)

Smartphone users signed up with Hungarian telecommunications company Magyar Telekom PLC., a subsidiary of DeutscheTelekom AG, will be able to carry out a variety of transactions, such as ticketing and payment, safely and securely using a SIM card. To this end, Munich-based technology provider Giesecke & Devrient (G&D) will supply the Hungarian mobile network operator with its highly specialized NFC SIM cards. This is the first time an NFC SIM card featuring a CIPURSE applet will be used.

As of the end of November 2014, a G&D multifunctional SIM card is available exclusively to mobile customers of Magyar Telekom. The card uses contactless Near Field Communication (NFC) technology and is based on the OSPT Alliance CIPURSE open standard specification. The NFC-enabled SIM card from G&D used by the Hungarian telecommunications company not only turns smartphones into convenient communication devices, but also allows them to be used as electronic wallets. These NFC SIM cards give Hungarian mobile customers the first opportunity worldwide to try out the secure, contactless MasterCard PayPass payment application or to carry out financial transactions at the Hungarian partner bank OTP. They also have the option to use the SuperShop loyalty card or conveniently order tickets for almost any cultural or sporting occasion in the country via InterTicket, the largest event agency in Hungary. The SIM card featuring a CIPURSE applet also enables future secure applications, including paperless payment on public transport or in taxis. "We are pleased that Deutsche Telekom AG has chosen to exclusively implement G&D's NFC SIM cards featuring a CIPURSE applet via its Hungarian subsidiary Magyar Telekom," says Carsten Ahrens, Group Senior Vice President and Head of the Telecommunication Industries division at G&D. "Our NFC-enabled SIM cards are currently unique, as they are the only ones in the world which also feature a CIPURSE applet."

Giesecke & Devrient is a member of ACT Canada; please visit www.gj-de.com.

24. HACKED BITCOIN EXCHANGE BACK UP AND RUNNING

Source: Card Not Present (01/12)

Bitstamp, the Slovenian digital-currency exchange that temporarily halted operations last Monday after a breach resulted in the loss of bitcoins worth nearly \$5.5 million, came back online on Friday, the company said in a statement.



Bitstamp reiterated that the "overwhelming majority" of bitcoins the company held remain secure in cold storage and all customers' balances "are completely safe and will be fully honored," according to CEO Nejc Kodric. The company opted to stay offline for a few days to rebuild its systems with additional security and assist with possibly apprehending the hackers involved. "By redeploying our system from a secure backup onto entirely new hardware, we were able to preserve the evidence for a full forensic investigation of the crime," Kodric said. "We have also taken this time to implement a number of new security measures and protocols so that customers can resume using Bitstamp with full confidence and trust. While this decision means we have not been able to provide you with services for a number of days, we feel this extra measure of precaution was in the best interest of our customers."

Kodric said Bitstamp has become the first exchange to implement more secure multi-signature technology to protect bitcoins it stores. Multisig requires more than one key to complete a transaction. The standard model is to require two out of three keys to spend from a balance – of those keys, one goes to the user, one to the service (exchange or wallet) provider and another to a trusted third party.

25. STAGE STORES PARTNERS WITH INGENICO GROUP AND CHASE PAYMENTECH TO ENHANCE CYBER SECURITY

Source: Ingenico (01/11)

Ingenico Group announced that Stage Stores, a leading neighborhood retailer that delivers brand-name family apparel in 40 states across the U.S., implemented with Chase Paymentech point-to-point encryption (P2PE) for its almost 900 stores in the US. Now customers shopping at Stage Stores' five brands (Bealls, Goody's, Palais Royal, Peebles and Stage) will conduct their payment transactions on Ingenico Telium terminals using Chase's Safetech encryption, powered by Ingenico Group's OnGuard technology. "Securing our customers' information is very important to us. Ingenico Group and Chase Paymentech have been great partners in assisting Stage Stores with developing our multi-layered Cyber Security Strategy," said Steven Hunter, Executive Vice President and CIO at Stage Stores.

Ingenico Group's On-Guard technology was the first encryption technology to be included in a Payment Card Industry Data Security Standard (PCI DSS) certified P2PE solution, and the first in the U.S. to be certified as part of a complete solution with EMV. On-Guard provides merchants with a data security strategy that not only protects payment data, but also provides a clear roadmap for PCI P2PE approval. "It has long been understood that total payment security requires a layered approach," said Gregory Boardman, Senior Vice President of Product and Development for Ingenico Group. "As we count down to the EMV liability shift in 2015, the issue of card fraud is a growing one. Retailers are keenly aware of the necessity of protecting card data across their networks and the Safetech solution



provides powerful protection for Stage Stores against data compromise. Because On-Guard technology encompasses all payment types and modes, this is an added benefit to the consumers who want to pay using magstripe, EMV or even contactless payment methods.”

Another advantage to the Ingenico Group system was that each of Stage Stores’ devices were updated to activate the Safetech solution without being removed from service, thanks to Ingenico Group’s Estate Manager platform. In most cases, P2PE technologies require the injection of a special key to activate the service. Ingenico Group’s Remote Key Injection system (RKI) allowed for this key insertion while the terminals remained installed in the field, therefore eliminating business disruptions and providing a big cost savings for Stage Stores. “Merchants want shopping to be easy, safe, secure and reliable for their customers, while also mitigating the risks and costs associated with storing, processing and transmitting online payment data,” said Jim Allen, Group Executive of Enterprise Product Management for Chase Paymentech. “We are pleased to help Stage Stores address this need with our Safetech fraud and security solutions to provide a safe and optimal shopping experience for their customers.”

Ingenico and Chase Paymentech are members of ACT Canada; please visit www.ingenico.com and www.chasepaymentech.com.

26. MY PAY. MY WAY. HOW CONSUMER CHOICE WILL SHAPE THE FUTURE OF PAYMENTS.

Source: Accenture (2014/10/14)

Accenture surveyed 4,000 consumers in North America to understand their attitudes about payments and how they anticipate making payments by 2020. Results of the survey indicate that consumers are driving change in the sector, and payments providers have to adapt accordingly. In choosing the method, provider and experience they prefer, empowered consumers have more ways to pay than ever before—from traditional instruments such as cash, credit and check to emerging ones like digital currencies and mobile payments. The survey also found that Millennials and high-income respondents will be the first to adopt “the next big thing” and will potentially be willing to pay for it. Bridging the gap between awareness and use of emerging payment instruments will mean influencing consumer choice to capture mindshare in a dynamic, disrupted and digital market.

For more information, please visit <http://www.accenture.com/us-en/Pages/insight-2014-north-america-consumer-payments-survey.aspx>

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

27. ALIPAY AMAZES WITH 300 M USERS, 190 M WALLET DOWNLOADS

Source: Let's Talk Payments (2014/12/09)

China is going through a mobile commerce boom. As per a recent report by Alipay, 54% of the total transactions on Alipay, during the first ten months of this year, were from mobile devices. The Alibaba-backed payments service handles more than 80 million transactions per day. Last year, mobile oriented transactions had accounted for only 22% of all the payments. Alipay has over 300 million registered users and over 190 million downloads of its wallet app. This year, China witnessed mobile internet access overtaking desktop internet access as well. Interestingly, according to the report by Alipay, differing trends were observed in a comparison of mobile payments in urban areas with those in rural zones. Mobile payments were relatively higher in remote areas, and in some prominent cities in rural areas, mobile based transactions accounted for 58 to 62 percent of overall transactions. This percentage was apparently low in urban areas with cities like Beijing, Shanghai and Guangzhou accounting for 24 to 29 percent of overall transactions.

Considering the actual consumer spend via mobile initiated transactions, 55% of total transactions came from five of China's most developed provinces. Considering overall volume of amount transacted by Alipay, mobile accounted for less than 50%. Even on the Singles' Day, which saw a record \$9.3 billion processed by Alipay, mobile's share was 43%. Mobile commerce has certainly witnessed significant growth in China and it can be attributed to factors such as lack of broadband telecom infrastructure, high costs of desktops, etc. The falling costs of owning smartphones in China contribute to this growth, since smartphones are a primary medium for accessing the internet. Tech firms in China are trying to address the technology gap in rural areas since smartphone adoption is now nearing saturation in urban areas.

To cite an example, Tencent recently showcased its 'mobile internet village' program as part of which it provides smartphones and free WiFi in certain rural areas. Manufacturers like Xiaomi are bringing in affordable mid and low range phones to the market. It is evident that China's next smartphone boom would definitely come from the lower end of the price scale with technology making it possible to reach out to newer demographics. Alipay is contributing to the payments revolution in China in a big way. Since its inception in December 2004, the company has handled more than 42.3 billion payment settlements. The company is helping Chinese consumers pay for online shopping purchases, utility bills, credit card bills, mobile recharges and many more goods and services.



28. INSIDE SECURE ANNOUNCES PARTICIPATION IN ENTRUST DATACARD'S CARD VALIDATION PROGRAM FOR SMART CARDS

Source: Inside Secure (01/15)

INSIDE Secure announced that they have entered into an agreement with Entrust Datacard to participate in their Card Validation Program (CVP). As smart cards are subjected to various processes prior to issuance, issuers want assurance that they will not encounter problems that could slow down operations or result in unanticipated costs during chip personalization or other card issuance processes. Through the CVP program, INSIDE will validate the compatibility of its EMV smart cards with Datacard personalization solutions prior to full implementation and thereby eliminate these concerns for customers. "INSIDE is committed to delivering cost-effective and easy-to-implement payment solutions that the market needs," said Bernard Vian, executive vice president of the Secure Transactions Business Division. "Our partnership with Entrust Datacard and participation in the CVP program demonstrates this commitment by not only validating that our chips work well with Datacard solutions, but also providing our customers peace of mind knowing that their investment is tested and proven before production of their customers' cards begins."

Through this program, INSIDE has pre-personalization and personalization scripts ready for its VISA and MASTERCARD certified MicroPass 2323 contact chip, for both Debit and Credit configuration profiles. Vian continued, "Thanks to our award winning MicroPass technology, we deliver optimal performance during chip pre-personalization and personalization processes to the issuers, resulting in significant savings in production costs when compared with other competitive products. By implementing EMV Card Personalization Specification standards, INSIDE gives personalization bureaus full interoperability with other native and JAVA products in addition to first in class performance." "We are excited to be working with INSIDE," said Jeff Davison, vice president of global solutions and professional services for Entrust Datacard. "Given the complexity and secure design of smart cards – it's imperative that card manufacturers and suppliers ensure that their cards are working with personalization systems on the market today and the CVP program provides that verification."

INSIDE Secure, MasterCard and Visa are members of ACT Canada; please visit www.insidesecond.com, www.mastercard.ca and www.visa.ca.

29. SOBEYS, SOBEYS URBAN FRESH AND FOODLAND STORES TO LAUNCH AIR MILES REWARD PROGRAM ACROSS ONTARIO

Source: LoyaltyOne (01/15)

Sobeys and LoyaltyOne, Co., owner and operator of the AIR MILES Reward Program, are expanding their relationship in the province of Ontario. Beginning March 27, 2015, shoppers will be able to earn AIR MILES reward miles at Sobeys,



Sobeys Urban Fresh and Foodland stores in Ontario. The expansion also includes the launch of the AIR MILES program's instant redemption feature, AIR MILES Cash, for in-store savings at the check-out. With the launch of the AIR MILES Reward Program in Ontario, Sobeys will become the loyalty program's first Canadian grocery Sponsor to issue reward miles across Canada.

Sobeys, Sobeys Urban Fresh and Foodland Stores to Launch AIR MILES Reward Program across Ontario. This expansion follows the September 2014 launch of the AIR MILES Reward Program in Sobeys Western Canadian banners including Sobeys, IGA, Thrifty Foods and Edgemont Market, and Sobeys Liquor, while continuing the partnership with Safeway and Safeway Wine and Spirits stores. AIR MILES Cash launched in Safeway and Safeway Wine and Spirit stores in November 2014. In Quebec, IGA, IGA extra, Marche Bonichoix, Les Marches Tradition and Rachele-Bery continue to offer the AIR MILES reward program. Customers also continue to collect reward miles at Sobeys, Foodland and Lawtons Drugs in Atlantic Canada.

"Our customers have responded very positively to the AIR MILES Program in other provinces, and we are looking forward to adding the same value to our customers' shopping experience in Ontario," says Marc Poulin, president and chief executive officer, Sobeys Inc. "For the first time, we will have a national rewards program and we are delighted to partner with LoyaltyOne across Canada to provide a more rewarding experience in our stores." The Ontario Club Sobeys loyalty program and BMO Club Sobeys MasterCard will transition to the AIR MILES Reward Program in 2015. The cross-Canada relationship provides Sobeys customers and AIR MILES Collectors the opportunity to earn even more AIR MILES reward miles for their everyday purchases at locations in all 10 provinces. Collectors can redeem their reward miles for more than 1,200 rewards options, including travel and merchandise in addition to the Program's instant redemption feature, AIR MILES Cash, which will be available at all Sobeys, Sobeys Urban Fresh and Foodland stores where AIR MILES reward miles are issued.

"The expansion of our partnership with Sobeys over the past year, from Atlantic Canada and Quebec to Western Canada and now Ontario, has provided for even more customers to engage with the Program and benefit from its value," says Andy Wright, president, AIR MILES Reward Program. "We are thrilled to grow and strengthen our long-standing partnership with Sobeys, one of Canada's leading national grocers."

LoyaltyOne and Sobeys are members of ACT Canada; please visit www.loyaltyone.com and www.sobeys.com.

30. MEAWALLET TO ENABLE CONTACTLESS AND REMOTE PAYMENTS IN ANY APP USING GLOBAL STANDARD PAYMENT SCHEMES

Source: MeaWallet (2014/12/17)

MeaWallet launches Mobile Business Components (MBC) that handle the complexity of securing contactless integrated services and APIs. Using these components to connect an existing or new app or wallet to the MeaWallet Mobile Digitization Platform, will enable service providers to deliver contactless services like payments, access and transit. “With this set of components, and our already up-and-running Mobile Digitization Platform, any card can be on-boarded and made mobile. Our aim is to help the creators and the businesses with attractive and innovative apps, by easily enabling complex and value adding services like payments, access and transit. We provide the right security levels and at low total cost of ownership,” says Lars Sandtorv, CEO of MeaWallet.

The contactless mobile payment service can be used at NFC-enabled POS-terminals in the stores and at the vending machines that support the existing global payment schemes for contactless payments. MeaWallet already supports other pairing methods like BLE, QR- and barcodes and Wifi. The contactless payment service is based on licenses for existing and emerging cloud based payment schemes. It uses Host Card Emulation (HCE) and tokenization to increase security, deliver flexibility and improve availability on most of the available smartphones. The new set of tools enables services on smartphones using Android 4.4 and newer operating system releases. MeaWallet is planning to support additional mobile platforms next year. “Next year we will launch more mobile business components. These will enable mobile payments for in-app, m- and eCommerce purchases and more. Our aim is make it easy for the user to pay and to enable secure, fast and cost effective payment methods for the merchants”, continues Lars Sandtorv. MeaWallet Mobile Business Components in short:

- Mobile Business Components (MBC) enables mobile payments, access and other card-based instruments into existing mobile applications.
- The MBC portfolio works as a layer of components between device OS API's and the mobile application.
- MBC is connected to MeaWallet's Mobile Service Platform for handling of mobile card services.
- Any card can be provisioned, distributed and activated using the MeaWallet Digitization Platform.
- The digitization platform handles tokenization and de-tokenization, key management and distribution, data security and integrity, and handset mutual authentication – all at bank level security.
- Example of cards that can be mobile enabled using MeaWallet's technology and services are: payment cards (debit, credit, prepaid), loyalty, coupons and gift cards, access and transit cards and membership cards.

MeaWallet is a member of ACT Canada; please visit www.meawallet.com.



31. SANTANDER MEXICO MOVES TO MULTOS TECHNOLOGY FOR FUTURE ADVANCED CARD PROJECTS

Source: Multos (2014/12/08)

Multos International announces that Santander (Mexico) S.A, one of the largest issuers in Mexico for credit/debit cards and part of the Santander global banking group, has chosen to migrate to MULTOS chip card technology for their card products. MULTOS is a smart card operating system based on an open standard governed by the MULTOS Consortium, an open industry forum comprised of more than 20 leaders of the smart card ecosystem. MULTOS is an open, high security, multi-application platform, defining a complete issuing environment. The technology brings operational benefits to card issuers and bureaus, such as more efficient personalization and reduced scripting and key management, compared to competing technologies.

"This is great step for Santander to start working on their next generation of card products, including the growing area of contactless, and taking advantage of the flexibility and simplicity in the supply chain that MULTOS brings", said Richard Cusson, Managing Director of Multos International. "This proves the continued growth of MULTOS offerings for EMV issuance throughout the region, and validates its technical benefits as financial, electronic voucher programs and government applications move to more secure chip technology."

Multos is a member of ACT Canada; please visit www.multosinternational.com.

32. ELAVON PARTNERS WITH VERIZON ON MPOS SYSTEM

Source: (01/13)

Elavon has joined the Verizon Partner Program, along with software provider talech, to provide small and medium businesses with a turnkey mobile point-of-sale system. The system integrates Elavon's payment and loyalty solutions, talech's software platform and Verizon's expansive high-speed 4G LTE network, enabling customers to take orders, manage inventory, access customer information and view daily reports in real time, according to the announcement. In addition, the new product provides businesses with enhanced insights through 'big data' analysis. "This powerful combination makes the era of Big Data accessible and relevant for small businesses," said Elavon's President of North America Guy Harris. "By building in robust customer loyalty and security features more commonly found in high-end POS options, this user-friendly solution enables SMBs to serve their customers better while providing business insights to help them compete more effectively."

Talech's POS processes payments via Elavon's fully encrypted payment processing platform and also is integrated with Elavon's Fanfare loyalty and gift card programs, which allows SMBs to deliver rewards to customers at the point-



of-sale, according to the announcement. In addition, by accessing the Fanfare data-rich dashboard, small businesses can easily target participating customers with offers and promotional campaigns to drive additional sales and revenue. Businesses and their customers can rely on fast, efficient point of sale transactions via Verizon's expansive 4G LTE wireless network. "Through innovation and collaboration with Elavon, Verizon is enabling business customers to take advantage of a powerful mobile POS solution that will deliver a positive and secure end-user experience," said Adam Famularo, vice president of Global Channels at Verizon. "Our VPP program offers qualified resellers, agents and solutions providers a great platform for accelerating sales opportunities and revenue."

Elavon is a member of ACT Canada, please visit www.elavon.com.

33. DISNEY WORLD ACCEPTS MOBILE PAYMENTS

Source: [Mediapost.com](http://mediapost.com) (2014/12/23)

The Mouse is going mobile. Beginning Dec. 24, Disney World will start accepting mobile contactless payments throughout the theme park. That will enable transactions for park guests who have Apple Pay on their iPhone 6 or iPhone 6 Plus device, as well as Google Wallet and various mobile credit cards using RFID. The company is planning to extend the mobile payments system to Disney Land in 2015. Disney's mobile payments platform is based on MyMagic+, an RFID system that gives guests a number of interactive capabilities using their "MagicBands," including cashless payments. The park is enabling mobile contactless payments for purchases made at quick service restaurants, ticket booths, and many shops, and plans to expand to businesses that use portable payment terminals, for example table service restaurants, in the not-too-distant future.

The contactless payments system debuts close on the heels of Apple Pay, which launched with Disney as an official partner in October. According to Apple, the mobile payment system is now compatible with over 90% of credit card transactions in the U.S. Getting the Disney parks online with Apple Pay is a huge win for the tech company. The Disney complex outside Orlando, Florida, attracts 52.5 million visitors a year, while Disneyland attracts 16.2 million a year, contributing a large share of the company's \$2.2 billion in earnings in the theme park category. In-park sales of food, drink, and merchandise are one of the most lucrative revenue drivers.



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

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