



Welcome to the **June** 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 Member

Capital One ~ member since 2008
EWA-Canada Ltd. ~ member since 2004
TD Merchant Services ~ member since 1996
Visa Canada Inc. ~ member since 1995

General Member

CanCard Inc. ~ member since 2008
Delego Software Inc. ~ member since 2013
DirectCash Payments Inc. ~ member since 2010
Home Hardware Stores Limited ~ member since 2013
Suncor Energy Products Inc. ~ member since 2010
truRating ~ new member
UnionPay International ~ new member

Associate Member

Mohawk Council of Akwesasne ~ member since 2010



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

Money20/20

October 25-28, 2015

Las Vegas, NV

<http://www.money2020.com/>

ACT members receive a registration discount

TRUSTECH, formerly Cartes Secure Connexions

November 17-19, 2015

Paris, France

<http://www.cartes.com>

ACT members receive a registration discount

July/August

- Strategic Leadership teams kick-off new terms
- Call for nominations for the annual IVIE awards

September

ACT launches its new member networking events (date and location to be announced)

- Catherine Johnston chairs a panel at the MAG (Merchant Advisory Group) conference in San Antonio

October

- ACT Canada goes across Canada to deliver closed door briefings for members and meet with stakeholders (dates and cities to be announced)
- Meet with Catherine and Andrea at Money 2020

November

- Our annual AGM, Cardware Connections and IVIE awards (date to be announced)
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Articles

1. EDITORIAL - THE BEST AND THE REST

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

My favourite comment from Cardware came from Todd Roberts. He asked what problem is being solved by digital currency and suggested that if it is P2P payments we find a way to improve our current solutions. As much as I like the concept of digital currency, it is an expensive and complicated way to solve P2P. I liked all the new things I saw in the Exchange Place; everything from instant



issuance EMV kiosks to payment software that can be injected into existing and new mobile apps, to an app that lets merchants survey their customers at the POS. I saw new POS terminals and heard about services that support merchants. I heard about card and mobile support for issuers. At many of the booths I heard about new and innovative services for acquirers and issuers. I liked it all.

I liked that the breakout sessions were often standing room only as delegates were anxious to hear about trends, security, collaboration and innovation. I loved the interaction between delegates – the almost roar of conversation at every break. I never fail to be impressed with the dialogue at Cardware because it is so different from what I hear at other conferences. I loved the speakers and sponsors that not only made Cardware possible, but made it a success. I admired the payment networks that took the time to meet with merchants. While this is a year round activity for them, the meetings at Cardware are different and I know that the merchants, as well as the networks, find value in them.

I was impressed by merchants who met to discuss approaches to data breach avoidance and mobile strategies. And then... I adored the fact that so many people invested their time to learn, to share and to talk through concepts. I know that it will help both their clients and their own careers. Well done! Now... for the rest. I cannot understand why a speaker would agree to be on the program and fail to tell us that he wasn't going to honour his commitment. Our delegates deserved better. I am sad that a few of our speakers failed to understand the fine line between education and a sales pitch, in spite of our advice. BUT all said it was a great two days thanks to hundreds of people. If you were one of them you have my heartfelt appreciation.

2. WENDY MAISEY NAMED AS THE RECIPIENT OF ACT CANADA'S 2015 HERO'S AWARD

Source: ACT Canada (06/30)

At Cardware 2015, Wendy Maisey, Customer Relationship Director, ICC Solutions Ltd and member of the ACT Canada Board of Directors was named as the recipient of the 2015 Hero's award. Catherine Johnston, President and CEO of the ACT Canada said, "This year's hero has been a strong advocate for the association and I know that because I hear it from many people.

For 12 years this person has been a very active member, supporting every event for as long as I can remember. This hero has impressed us by remaining firmly committed to the Canadian market when others moved their focus to the US. We have counted on this person to provide sage counsel and to tell us when we were headed in the wrong direction. For appreciating the value of what we do, for your active support and for helping us to do a better job for all our members, Wendy

Maisey – you are our hero.” Wendy was presented with a plaque and the thanks of the Association.

3. CANADIAN PARLIAMENT REPORT RECOMMENDS A ‘LIGHT TOUCH’ IN VIRTUAL-CURRENCY REGULATION

Source: Digital Transactions (06/23)

As states and national governments consider regulations for virtual currencies, a new report from a Canadian Senate committee recommends a “light touch” lest regulation stifle a promising young industry. In considering any legislation, regulations or policies, the Canadian federal government should “create an environment that fosters innovation for digital currencies and their associated technologies,” the first of eight recommendations in the report says. “As such, the government should exercise a regulatory ‘light touch’ that minimizes actions that might stifle the development of these new technologies.” The Standing Senate Committee on Banking, Trade and Commerce issued the report last week. Dubbed “Digital Currency: You Can’t Flip This Coin!”, the 64-page study is the product of more than a year’s work and originated with a request to the panel from Finance Minister Jim Flaherty, now deceased, who wanted to know more about the policy implications of the emerging virtual-currency market.

The committee heard from 55 witnesses who testified in Ottawa and took a trip this past February to New York City to speak with state and federal banking regulators, virtual-currency entrepreneurs, and others. The report attempts to define what virtual currencies are, with Bitcoin being the best known among them. It also reviews the blockchain technology behind Bitcoin and notes that such a system, in which an electronic ledger tracks every Bitcoin transaction, creates many opportunities beyond Bitcoin itself. They include bringing financial services to the unbanked in the developing world and providing consumers with greater protection of their personal information. The committee’s second recommendation is that “the federal government consider the use of blockchain technology when advantageous to deliver government services and to enhance the security of private information.”

Panelists did not recommend that all players in the complex world of virtual currencies roam entirely free. The report says digital-currency exchanges should be defined as “any business that allows customers to convert state-issued currency to digital currency and digital currencies to state-issued currency or other digital currencies.” To minimize the risks that such exchanges enable violations of Canada’s anti-money-laundering and anti-terrorist-financing laws, the federal government “should require digital-currency exchanges, with the exclusion of businesses that solely provide wallet services, to meet the same requirements as money-services businesses,” the report says.

The study also recommends that the federal government work with other countries to formulate “global guidelines for digital currencies” while respecting the “light touch” to regulation, and that the finance minister convene with stakeholders, including banks, to discuss solutions to the lack of access to banking services for virtual-currency businesses. A final recommendation says that due to the evolving nature of virtual currencies, the panel should study the attendant regulatory issues again within three years. The report’s issuance comes shortly after New York State put the finishing touches on its pioneering BitLicense regulatory framework for virtual currencies. Other U.S. states are mulling digital-currency regulations, as are nations. Ukraine, for example, is considering its own version of a BitLicense, according to recent news reports.

4. ROGERS BRINGS ITS SURETAP WALLET SERVICE TO TELUS AND BELL DEVICES

Source: Mobile Syrup (06/23)

Rogers announced the expansion of its mobile wallet client, Suretap Wallet, to Bell and Telus devices, including those on Virgin Mobile and Koodo. The company said in a statement that the move is meant to enhance the position of Suretap as a platform, and mobile payments in general, throughout the Canadian market. “Suretap is an original Rogers innovation and it marks a milestone in Canada’s leadership in mobile payments and mobile commerce,” it said. While Suretap doesn’t yet support all Canadian credit cards within the app, Rogers recently added CIBC’s suite of Visa cards in addition to the prepaid MasterCard it offered back when the service launched in April 2014.

The app also supports the addition and storage of a number of loyalty cards, from companies like Chapters Indigo, Cara Foods, and Cineplex. The expansion of Suretap Wallet to support other carriers doesn’t do much to move the dial forward on mobile payments within Canada – it is still a fundamentally fragmented experience – but it gives customers another storage choice for both credit and loyalty cards. Previously, Ugo Wallet, a partnership between TD Canada Trust and PC Financial, launched a similar mobile product. It’s unclear whether Rogers reached a preload agreement on Bell and Telus devices, but Suretap Wallet continues to be pre-installed on all Rogers Android and BlackBerry devices. The company says the service will come to Windows Phone devices in the near future.

CIBC, MasterCard, PC Financial, TD Canada Trust, TELUS and VISA are members of ACT Canada; please visit www.cibc.com, www.mastercard.ca, www.pcbank.ca, www.td.com, www.telus.com and www.visa.ca.



5. CIBC FIRST CANADIAN BANK TO PARTICIPATE IN SURETAP(TM) OPEN MOBILE WALLET

Source: CNW (06/23)

CIBC announced that it is the first major Canadian bank to participate in suretap, enabling CIBC clients to pay with their smartphone by adding any one of its credit cards to the new suretap open mobile wallet. Beginning today, some of Canada's leading wireless carriers, Bell, Rogers, TELUS, Koodo and Virgin, are offering the suretap wallet across numerous Android and BlackBerry smartphones, with other device platforms expected to follow by the end of 2015. CIBC is the only major bank to make its credit cards available on suretap, a mobile payment application that allows users to store a range of payment cards on their mobile phones to pay for everyday purchases anywhere contactless payments are accepted.

"We want to be where our clients are, and our involvement in suretap reflects our commitment to delivering banking and payment services that are easy, personalized and flexible," says Todd Roberts, Senior Vice President, Cards and Payments Innovation, CIBC. "CIBC is the leader in innovation in banking, and this strategic partnership brings value to our clients by making it easier to pay with their phone." With the suretap open mobile wallet, consumers can store any CIBC Visa or MasterCard credit card on eligible Android or BlackBerry smartphones available from each of the major wireless providers. The state-of-the-art encryption technology together with a secure, passcode protected app gives users peace of mind knowing that their mobile payments are safe and reliable.

Suretap continues CIBC's track record for innovation and partnerships. Participating in suretap speaks to CIBC's focus on partnerships that add value for clients, and builds on the bank's track record for innovation. CIBC launched Canada's first mobile banking app in 2010 and a first of its kind mobile payments app in 2012. "We are building our payment options not just for client needs today, but for what Canadians will demand in the future," says Mr. Roberts. Canada was an early entrant in the mobile payments space and offers a breadth, depth and quality of payments services that is among the best in the world.

Suretap is changing the consumer experience. By allowing Canadians to add more than one type of payment option onto a single application and by making this application available on most Android and BlackBerry smartphones offered through Canada's largest mobile carriers, CIBC sees expanding mobile payments onto open wallets as a significant opportunity to enhance the client experience and drive growth.

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



6. INCREASING SECURITY OF MOBILE PAYMENTS FOR CANADIANS WITH RBC WALLET

Source: CNW (06/02)

Consumers want mobile payments to be fast, easy and most important of all, secure. RBC understands this and has long been innovating in the secure payment space and has now increased security and accelerated sign in with its development of an app for the Android M Developer Preview, the next major release of its operating system. This new app will be part of the RBC Wallet and will deliver a superior and secure mobile experience for clients. "As we further enhance RBC Wallet and our mobile solutions, the security and protection of our client's personal data is paramount," said Linda Mantia, executive vice-president, Digital, Payments and Cards, RBC. "This new feature heightens security while providing an exceptional client experience with a simpler and quicker process for authentication and payment."

RBC introduced and demonstrated this new feature at the Google I/O, an annual developer conference held in San Francisco from May 28-29, 2015, featuring inspirational talks, hands-on learning and a chance to hear more about Google's latest developer products. Included in the Android M Developer Preview are new application programming interfaces (APIs) - a set of protocols for building software applications - for Fingerprint and Confirm Credential that enable the use of device credentials (e.g., device PIN, fingerprint) to identify and authenticate users in Android apps. RBC Wallet is taking advantage of these new features to accelerate payments and sign-in operations by utilizing the device credentials, which are hardware based and more secure, using Keyguard.

This new app within the RBC Wallet will provide clients with the following benefits:

- Utilizes the same PIN that locks the phone to access RBC Wallet,
- Eliminates having to remember multiple passwords,
- Increases security as authentication is now tied to the device hardware,
- Speeds up the payment process,
- Employs a timeout security mechanism that does not require clients to re-enter their PIN to transact within that pre-set timeframe, and
- Provides clients the choice to complement their PIN with their fingerprint to access RBC Wallet and make mobile payments

RBC is a member of ACT Canada; please visit www.rbc.com.

7. VISA INC. AND VERIFONE JOIN FORCES TO ACCELERATE OMNI COMMERCE GLOBALLY

Source: Verifone (06/03)

Visa Inc. and Verifone announced a partnership that will enable merchants to offer their customers a more streamlined, secure purchase experience across



digital and face-to-face commerce environments, often referred to as omni-channel commerce. As part of the partnership, the companies will integrate industry leading platforms: Verifone will connect its point of sale gateway to Visa's CyberSource global merchant payment management platform. This will provide merchants with a single platform to protect customer payment data, mitigate fraud, and integrate digital and offline payment systems.

"As consumers shop and pay in multiple channels, merchants are looking to integrate payment systems to facilitate a single view into their customers' buying behaviors," said Andre Machicao, senior vice president, CyberSource, a Visa Inc. company. "This announcement is about two industry leaders coming together to create that view for merchants so they can better serve and understand the needs of consumers globally, across all commerce channels, and without sacrificing security." Securely and efficiently managing payments across digital and face-to-face sales channels are critical success factors for retailers as they seek to keep consumer payment data safe. This trend is confirmed by a recent study from CyberSource and Retail Systems Research, which reveals the following as the top three payment concerns among retailers:

- Protecting customer payment data and managing fraud (59%)
- Integrating new digital payments and legacy payment systems (57%)
- Making it easier for customers to pay with online and mobile devices (52%)

Additionally, as the U.S. shifts to EMV chip-enabled payments to help enhance consumer payment security and combat fraud, retailers are also deploying chip-compatible point of sale solutions. The CyberSource-Verifone partnership accelerates merchants' ability to adopt more secure chip technology. "Verifone and CyberSource are brands that merchants know and trust for their ability to deliver secure and reliable payment acceptance in the online and brick-and-mortar retail worlds," said Vin D'Agostino, executive vice president of Commerce Enablement for Verifone. "This exciting partnership will enable merchants to leverage the assets and experience of two established leaders and drive a multi-layered approach to security across all sales channels, tighten relationships with their customers online and offline, and provide amazing experiences at the point of sale, rivaling the experiences they are able to create online."

Accelerating Cross-Channel Payment Infrastructure

Verifone will connect its point of sale gateway to Visa's CyberSource global merchant payment management gateway, placing a certified, cross-channel payment solution within immediate reach of merchants. Initially available in the United States, September 2015, the integrated CyberSource Verifone solution will enable merchants to:

- Accept cross-channel payments and centralize transaction reporting to increase customer engagement, enhance marketing insights, and streamline payment reconciliation.



- Mitigate online fraud risk via use of CyberSource Decision Manager, the world's largest fraud detection radar that applies over 260 fraud screens and includes insights from over 60 billion transactions processed annually by Visa and CyberSource. Decision Manager increases merchant fraud pattern visibility by 200 times.
- Keep consumer payment data safe and simplify payment security management by keeping sensitive payment data off merchants' networks. Combining CyberSource payment security solutions with Verifone's Secure Commerce Architecture can help reduce exposure to data breaches, enable more rapid chip implementation and certification, and increase the speed of innovation at the point of sale.
- Deploy EMV chip-certified POS devices and shorten the path to EMV chip readiness, depending on their acquirer's CyberSource configuration. A select series of Verifone POS solutions, which are both NFC- and chip-enabled, are compatible with the CyberSource platform.

Verifone and Visa are members of ACT Canada; please visit www.verifone.com and www.visa.ca.

8. WITH NEW DIGITAL PROGRAM, VISA DROPS TOKEN FEES, OFFERS ISSUERS SINGLE CONNECTION TO ALL SERVICES

Source: Digital Transactions (06/02)

With its Visa Digital Enablement Program, announced on the same day Google Inc. unveiled Android Pay, Visa Inc. has introduced application programming interfaces for card-issuing institutions to link to potentially thousands of digital-payments services with a single integration and without separate business agreements for each. Visa also hopes to make those arrangements virtually cost-free for issuers. Services that connect to VDEP agree not to levy fees. And with VDEP Visa itself has decided to permanently waive the tokenization fees it devised last year and put on a temporary hold. The fees reportedly included a 7-cent charge for each token and 2 cents for each decline. "We're waiving them altogether, as long as the issuer is processing with us," Jim McCarthy, executive vice president for innovation and strategic partnerships at Visa, tells Digital Transactions News. "We've put our money where our mouth is."

Android Pay is the first so-called token requester to participate in VDEP. For now, mobile and online payments services are a somewhat contained number. But McCarthy foresees many more. "I can see every card-on-file merchant looking for tokens to replace cards," he says. "I can easily see thousands of token requesters. Android Pay is the first of what I hope will be many." That's where Visa says VDEP will make things easier. Instead of confronting commercial contracts and integrations individually with each service, issuers will be able to turn on a service with a single connection to Visa. "An issuer will have the ability to throw a switch," notes Rick Oglesby, a senior analyst at Double Diamond Group, a Centennial,



Colo.-based consultancy who follow mobile payments. As popular as Apple Inc.'s Apple Pay mobile-payments service has proven to be, issuers have had to read and approve contracts and build connections that work with just that one system. That slows things up and makes it harder to build mass acceptance, especially for multiple services, says McCarthy.

"Apple created a great product, but we didn't have a commercial framework," he says. "When you see how long it takes, it just doesn't scale. Having a commercial framework makes things scale a lot faster." Some 2,300 financial institutions have linked to Visa's token service in support of Apple Pay since its October launch. Of these, nearly 300 have completed technical connections to Apple and are supporting transactions. Nor will the sort of fees issuers have to pay for Apple Pay transactions be permitted with VDEP connections. Apple charges issuers 0.15% on each credit card transaction and half a penny for each debit payment. "Any token requester that agrees to VDEP agrees to let any issuer get access to their platform at no cost," says McCarthy. The idea, he says, is to keep transaction costs from hindering the build-out of digital-payments services. "This is good for everybody to plumb the world" for digital payments, he says.

Google's decision to sign up Android Pay for VDEP may have historical roots. VDEP is an outgrowth of a tokenization service Visa began planning in 2013 and saw come to full fruition with the launch of Apple Pay. But the tokenization service itself stemmed from an early version of the 4-year-old Google Wallet. That version relied on a MasterCard prepaid card on the front end and a network-branded card on the back end designated by the user. Acting as the issuer, Google collected card-present interchange on the prepaid card but then paid higher card-not-present interchange when it filled the role of the merchant for the user's network-branded card. The arrangement provided a sort of tokenization, McCarthy says, but was also hard for the networks to swallow, since users could choose any of their cards without prior agreement from either the issuer or the network. "The genesis of our token service was Google [Wallet], where they broke the network model," he says. "So we began working with Google on a token model."

Now, with VDEP, that model takes a major step forward, McCarthy says. "We're trying to make it easy," he says. "With this, you get access to all the token requesters for free, the data is your data, it's in the issuer's control. [And] you don't have to sign a bunch of contracts." This is a role well-suited to Visa, says Oglesby. "As a network, it's well-positioned to be the intermediary technology player that can interface with the token requesters," he notes. "And between Google and Apple, it now seems to have solidified its role there."

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



9. INGENICO, GOOGLE PARTNER ON CROSS-BORDER E-COMMERCE PILOT

Source: Card Not Present (06/22)

Ingenico and Google are partnering to offer online merchants a suite of tools and advice to help them sell into international markets. The two companies have joined forces on a new program called Export Accelerator. Ingenico's Ingenico Payment Services will contribute payments expertise and solutions to the venture, while Google will offer insights to identify export opportunities and generate qualified traffic through search inquiries and insights. "This cooperation demonstrates our ability to continue to simplify payment for merchants while helping them to easily and securely expand across borders," said Stephen Buechner, executive vice president for e-payments at Ingenico Group. "Backed with our global coverage and local expertise, the Export Accelerator will help them to efficiently create new connections with new customers and scale up their business."

Google and Ingenico will pilot the program in Belgium, where Google's Thierry Geerts said entrepreneurs can benefit from expanding their universe of customers from 11 million Belgian consumers to 2.5 billion potential customers around the world.

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

10. FBI: RANSOMWARE NETS CRIMINALS \$18 MILLION IN BITCOIN

Source: Card Not Present (06/25)

For the 14 months ending May 31 of this year, criminals used ransomware to steal \$18 million worth of Bitcoin and other digital currencies from U.S. owners, according to the FBI. The law enforcement agency's Internet Crime Complaint Center (IC3) logged nearly one thousand complaints from U.S. users claiming they were victims of ransomware—malicious software that blocks access to a computer or certain files until a monetary amount is paid. The malware variant responsible for the bulk of the incidents, according to IC3, is known as CryptoWall. Businesses and individuals are equally likely to be victims of CryptoWall, the FBI said. Like most malware, problems begin after a victim clicks on an infected ad, email, attachment or link. Once the victim's device is infected, their files are encrypted and then the thief steps in to demand payment, which is where Bitcoin comes in.

"Most criminals involved in ransomware schemes demand payment in Bitcoin," the FBI said in its statement. "Criminals prefer Bitcoin because it's easy to use, fast, publicly available, decentralized, and provides a sense of heightened security/anonymity."

11. GLOBALPLATFORM ENHANCES MOBILE DEVICE SECURITY

Source: *GlobalPlatform (06/11)*

GlobalPlatform has published an upgrade to its Card Specification v2.2 to protect the data exchange between a secure element (SE) and a trusted execution environment (TEE) on a mobile device. The 'GlobalPlatform Secure Channel Protocol 11' addresses the increasing number of use cases, such as mobile banking, where applications utilize both the SE and TEE to protect a secure service. The document is particularly relevant to secure application developers and issuers, and can be downloaded free of charge. "This advancement focuses on making the best use of security that is already present on the device," comments Karl Eglof Hartel, Chair of the GlobalPlatform Card Committee and Director for Standards and Innovation in the Mobile Security business unit at Giesecke & Devrient. "Data breaches are growing daily and as more secure services are deployed to mobile devices, hackers will follow. This update seeks to better combine the security characteristics of the SE and TEE, ensuring that the communication channel between them is secure."

In use cases like biometric authentication, virtual private networks (VPN) or mobile banking, the SE in the device is used to store the critical part of the application and its associated cryptographic keys. In parallel, the trusted application resides in the TEE to enable management of the end user and backend interaction prior to a transaction being authorized. The Secure Channel Protocol 11 protects the data being transferred between these two secure components. "The combination of advanced cryptography and the secure components simplifies the delivery of secure services," adds Karl Eglof. "Data is secure while stored in the SE and TEE, and this channel further strengthens the protection of sensitive data when it is in transit. We have brought forward this update to answer a market need for more effective security and to support the long-term requirements of secure application developers and issuers." From a technical perspective, data passed between trusted applications stored in the TEE and SE is protected by the secure channel, which is established by GlobalPlatform's TEE SE API. Elliptic curve cryptography (ECC) is used for the generation of the session keys for encryption and authentication. It also provides perfect forward secrecy (PFS) by using ephemeral keys, preventing the decryption of the data by attackers, should they also get hold of the long-term keys.

GlobalPlatform is a member of ACT Canada; please visit www.globalplatform.org.

12. MASTERCARD TO OFFER TOKENIZATION TO CNP MERCHANTS

Source: *Card Not Present (06/18)*

MasterCard said it will offer tokenization services to merchants with app, e-commerce and recurring-billing programs. Because the one-touch purchase ability of apps and e-commerce sites and the automatic nature of subscription payments



all require storing card information, the Purchase, N.Y.-based card network said it is important for businesses to protect their customers by tokenizing that information. In addition to protection, MasterCard said the expansion of its Digital Enablement Services will also automatically update a customer's information when the card account changes due to expiration or a lost or stolen card.

"Merchants continue to innovate in many different and compelling ways for consumers to buy from them, including in app, eCommerce, recurring and subscription-based payment environments. These new experiences all involve storing card numbers," said Ed McLaughlin, chief emerging payments officer at MasterCard. "We are very excited to announce the extension of our industry-leading MDES program to make all of these merchant shopping environments more secure and convenient for their customers using MasterCard tokens, seamlessly enhancing the systems merchants and acquirers already have in place, and eliminating a significant 'hassle factor' for consumers when card numbers change."

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

13. TTC TO FULLY SWITCH TO PRESTO CARDS; WILL STOP ACCEPTING TICKETS, TOKENS IN 2017

Source: The Globe and Mail (06/22)

Toronto's transit agency is promising to have the Presto fare card across the system by the end of next year, and will stop accepting tickets and tokens within months of that milestone. This rollout in Toronto comes after the Presto card became widely used on the GO Transit regional network and suburban transit agencies. The long and slow rollout of the smart card on the TTC is finally starting to accelerate, reducing the crossover period in which people using the new card also have to carry old-style fares. "It's important to customers because buying a ticket or buying a token is a barrier to travel," Toronto Transit Commission deputy CEO Chris Upfold said in an interview Monday after his presentation to the TTC board.

"It's an extra step that means that it is more difficult than it needs to be. And Presto ... makes it easy for customers." About two-fifths of the city's subway stations will accept the Presto card by next month, according to the TTC. The entire fleet of old streetcars will be Presto-enabled by the end of this year. All remaining subway stations and all buses will be fitted for Presto by the end of next year. The new streetcars, which are slowly arriving and are due all to be here by 2019, will have Presto as they go into service. Around the end of next year the TTC will stop selling tickets and tokens. Sometime in the middle of 2017 the transit agency will stop accepting these old ways to pay the fare. Those who choose not to use a Presto card – which costs \$6 to buy – will be able to use cash.



Riders will be able to load money onto the card by phone, online and via terminals in the transit network. They will tap the card when entering the TTC, giving access to the system, and probably do so again when they exit. Although children under 12 don't need to pay to ride the transit, many will need to tap a Presto card, one that need not have money loaded on it. The Presto card has long been a favoured target for government critics. Instead of buying a card off the shelf and writing extra code to adapt it to the local situation, the Ontario government chose to develop a proprietary system, hoping to sell it around the world. The process took years, cost hundreds of millions of dollars and resulted in a card less user-friendly than equivalent cards in cities such as London and Hong Kong. But now that it is finally arriving, the TTC will be able to take advantage of its features to adjust fare policies.

“It gives us full flexibility, we can do all sorts of things that we have never been able to do because we couldn't print that many different kinds of little paper tickets,” Mr. Upfold said. “Time of day, that's a great one. Do we have the ability to even [move] 1 per cent of our customer numbers to a slightly different time frame? We spend a lot of money improving capacity by 1 per cent – maybe there's better ways we can do that.” The adoption of Presto will have a variety of effects on the transit system. The TTC now spends about 8 per cent of fare revenues collecting fares, and moving to a smart card should reduce that cost. Also, without the need to sell fares, collectors will move out of the booth at subway stations and shift to more of a customer service role. And without the collectors selling fares, the distinction between primary and secondary subway entrances will blur, which could lead to more efficient passenger flow as riders use all access points of stations more evenly.

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

14. MAJOR HCE DEVELOPMENTS BY MEAWALLET AND CARTA WORLDWIDE

Source: Let's Talk Payments (06/15)

The Bancorp and MeaWallet have entered a partnership to deliver open loop mobile prepaid cards. The prepaid card will be using cloud-based security and host card emulation technology. MeaWallet's cloud-based mobile platform will be used for issuing open loop mobile prepaid cards. The Bancorp's new and existing customers will be able to add branded mobile wallets and cloud-based digital mobile prepaid cards to their portfolio of card products. MasterCard's and Visa's cloud-based schemes will initially be supported, which means that mobile cards issued using the product will be accepted for contactless and remote payments at accepting merchants around the world. Credit and debit cards dominate the European market. The prepaid card market is growing rapidly but is still in its infancy. There is enough potential for prepaid and mobile wallet solutions in Europe as more and more consumers are adopting smartphones for banking



and payment functions. In the future, the solution may expand to include tokenization and the use of smartphones for other digital mobile payment instruments like vouchers and gift cards.

MeaWallet's solution incubates payment technologies like HCE (host card emulation), Tokenization BLE (Bluetooth low energy), NFC (near field communication) and cloud-based secure elements (cSE). The company has five major solutions: MeaESB, MeaSafePay, MeaSEC, MeaTrust and MeaWallet. These tools work in unison to deliver a robust end-to-end payment solution. MeaESB is a flexible infrastructure for integrating applications and services, and linking business applications with mobile wallet ecosystems. MeaSafePay uses stored cards in the certified MeaSEC solution for use in any form of m-commerce or NFC payment. MeaTrust is an advanced trusted service manager (TSM). The company boasts to serve around 135 million customers under their white label. The Bancorp is one of Europe's fastest-growing prepaid service providers. The bank has been doing well in terms of technology adoption. The Bancorp is also one of the first financial services companies to offer biometric security to its banking customers for their mobile interactions.

YellowPepper to expand product line bringing Carta Worldwide's host card emulation technology to Latin America. YelloPepper is a provider of mobile banking and payment solutions to financial institutions in the Latin American region. It has partnered with Carta Worldwide which is a leading HCE technology provider. "We are excited to introduce HCE to our existing clients and further expand our reach by offering this new technology to the fast-growing Latin American market," said Serge Elkiner, Co-founder and CEO of YellowPepper. "Our mission is to revolutionize the payment experience for consumers in Latin America, and we're thrilled to be working alongside a global and proven industry leader like Carta to bring mobile payments to the masses." Carta Worldwide will provide their HCE technology to YellowPepper that will in turn leverage its regional footprint with more than 50 leading financial institutions and retailers to introduce the new technology to them and future clients.

CEO of Carta Worldwide Brian Semkiw commented, "We see the Latin American market as having huge potential for our company. We are very pleased to be working with a proven, successful and innovative organization like YellowPepper to support our business development efforts in the region." YellowPepper boasts to have five million customers with 30 million transactions per month. The number is rapidly increasing and will continue to grow as they expand their mobile solutions and offer the best and latest technology.

Carta Worldwide, MasterCard, MeaWallet & Visa are members of ACT Canada; please visit www.cartaworldwide.com, www.mastercard.ca, www.meawallet.com and www.visa.ca.

15. PAYPAL BRINGS 'ONE TOUCH' PAYMENTS TO CANADA FOR FASTER CHECKOUTS

Source: IT Business (06/10)

Following its debut in the U.S. last month, PayPal is promising faster checkouts for Canadian web consumers by bringing One Touch for Web to Canada. OneTouch for Web allows consumers, after they've made their initial login to their PayPal account, to pay for subsequent purchases with a single click. Account credentials are saved on the device, so consumers don't need to log in to their account each time they want to make a purchase. The vendor hopes the solution will make it easier for consumers to shop online – and if it's easier, maybe they'll shop more. PayPal says OneTouch will be automatically enabled for most PayPal merchants without any integration, and customers can choose to use it or not. It's also available for iOS and Android.

“Merchants like Airbnb, Boxed, Jane.com, Lyft, Munchery, YPlan have shared that One Touch led to an immediate increase in sales, average order values, customer adoption and loyalty,” said Bill Ready, senior vice-president and global head of merchant and next generation commerce for PayPal, in a statement. “And because One Touch enables consumers to pay without entering any payment information even at signup, it helps to increase customer adoption and address checkout abandonment.” OneTouch for Web is available in Canada and the UK now, and will be expanding internationally in the months ahead.

16. GIESECKE & DEVRIENT AND BAIMOS TECHNOLOGIES TO JOINTLY DEMONSTRATE THE SECURE PERSONALIZATION OF CONTACTLESS SMART CARDS VIA SMARTPHONE

Source: Giesecke & Devrient (06/16)

Digital access control typically relies on smart card technology to securely store digital keys. A complex and hardware-heavy infrastructure is required to write onto such cards securely and – particularly in a decentralized environment – to personalize their individual access permissions. The higher the security requirements are, the greater the need to employ an expensive end-to-end solution from one single provider usually becomes. The two security experts G&D and baimos are now showcasing an integrated solution that can remove this complexity by turning any NFC smartphone into a secure smart card reader for contactless key cards. The cost for dedicated reader hardware and maintenance is reduced to virtually zero, while the number of readers can expand with existing smartphones at no incremental cost.

With many years of experience in the development of secure cards and Java Card™ technology for applications in SIM, payment and ID cards, G&D is providing a secure and proven smart card platform for BlueID from baimos technologies. G&D's smart cards are equipped with a Java Card™ operating



system enabling not only data storage, but also the execution of Java applets. By employing strong encryption, the cryptographic protocols on the smart card improve the level of data security even further. G&D's secure card operating system and cryptologic protocols allow BlueID to initialize a special BlueID applet in the secure smart card environment and to securely receive and store data from smartphones via NFC. The G&D SmartCafe Expert 7.0 card is EAL5+ certified. The software-based authorization platform BlueID by itself enables personalized secure keys to be remotely activated on smartphones for all kinds of objects like doors, cars, barriers, cabinets, etc.

As G&D and baimos will demonstrate at the IFSEC 2015, G&D's smart cards can now also be personalized with the same permissions that BlueID uses for smartphones. This bridges the gap between the existing infrastructure deployments and the mobile ecosystem, since BlueID permissions can be sent to selected smartphones and now as well to selected smart cards to increase security. BlueID permissions are time restricted and dedicated for unique identities. A PKI based BlueID permission clearly defines the holder, recipient, date and duration of access rights. To turn a compatible NFC smartphone into a secure smart card reader, the smartphone itself also has BlueID installed. This way both components – the stand-alone G&D smart card to be personalized, as well as the smartphone being the NFC card reader – have dedicated unique and secure identities. The smartphone then transfers the defined permissions contactlessly via NFC onto the G&D smart card. The whole transport process and permission storage is 100% protected and can get clearly determined as well as controlled by BlueID.

“BlueID is offering a robust security concept for digital smartphone permissions that scales and easily allows mass installation. We are pleased to support them with our expertise and products in order to go one step further by integrating the latest smart card technology into their permission system”, says Axel Deininger, Group Senior Vice President and Head of the Enterprise Security & OEM division at G&D. “Smart cards will remain a popular carrier of digital identities and access permissions. With our latest innovation smart card management can now leverage the benefits of the mobile wave,” states Philipp Spangenberg, CEO of baimos technologies. “Companies can now securely personalize smart cards with access permissions via already existing hardware – a corporate or private smartphone – outside of their firewalls to easily and instantly grant access to dedicated objects for employees, guests and subcontractors. Specific and expensive reader hardware across the whole ecosystem is not necessary anymore.”

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

17. STARBUCKS' MOBILE ORDER & PAY POISED TO EXPAND TO UK, CANADA & 21 MORE US STATES

Source: Let's Talk Payments (06/19)

Starbucks' Mobile Order & Pay app—which allows customers to place an order from their mobile phone, thereby skipping the line at the register—will be expanded to stores across 21 more states in central and southern US. Though the app is currently available only for Apple iPhone users, Starbucks plans to introduce an Android version soon. Starbucks had initially conducted a trial of the solution in Portland, Oregon late last year which was further expanded to the Pacific Northwest in March 2015. The pilot was well-received by customers and the initiative is currently active at close to 3,500 locations across the US, almost half of Starbucks' store base in the country. The firm plans to launch the service across all the stores by the end of the year.

States where the initiative is supported include Alabama, Alaska, Arizona, California, Colorado, Florida, Georgia, Idaho, Kansas, Louisiana, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Texas, Utah, Virginia, Washington and Wyoming. Starbucks plans to continue a national rollout throughout 2015. Starbucks' commitment to enhancing the customer experience and the ease of use for both customers and partners (baristas) is expected to increase the speed of service and drive incremental transactions. Mobile Order & Pay allows customers to place orders before they arrive at the store and pick them up at their chosen Starbucks store. The app interface shows store locations, which appear based on the GPS functionality of the customer's phone. The mobile ordering process simply involves scrolling through the menu on the app interface, picking your choice of items and your store of preference, and then paying using the in-app payment system. The particular store gets notified of the order, which is prepared and kept ready for when the customer arrives at the store.

Launched in 2010, the company's mobile wallet app has now gained 16 million active users who make about eight million payments a week through the app. This equates to about 19% of all the transactions in their US stores. After launching this mobile wallet app in Germany and France, the company is preparing to rollout the successful Mobile Order and Pay service across the UK and Canada as well.

18. UNIONPAY HITS 5 BILLION ISSUED MARK

Source: ICMA Industry News (06/12)

China UnionPay aims to become a global bank card company, Ge Huayong, chairman of China UnionPay and UnionPay International. Ge made the remarks after a speech at the Shanghai City Campaign Forum of the Milan Expo, where he briefed an audience of about 200 industry experts on the growth history



and functions of China UnionPay. He also signed an agreement with Cartasi SpA, an Italian credit card issuer. Ge said that the agreement is an example of China UnionPay's international development strategy, expanding the card company's customer base through partnerships with local companies in Europe, and in the process recruiting new European customers. China UnionPay was founded in 2002 with a view to enable interbank payment transactions in China. The company began to expand overseas in 2004, which later led to the founding of its international brand, UnionPay International.

UnionPay International now has partnerships with more than 300 institutions worldwide and its global network covers more than 150 countries and regions. There are about 5 billion UnionPay cards in use. One key international market for UnionPay is South Korea, where one in five people has a UnionPay card. In Pakistan and Laos, UnionPay cards have been issued to customers for many years and have now become the most recognised payment card locally. In the United States, more than 90 per cent of automated teller machines and more than 80 per cent of retailers accept UnionPay cards. These achievements did not come easily, considering that UnionPay International is up against fierce competition from other global payment card companies like Visa and Mastercard, Ge said.

"UnionPay International is not a truly international payment card company because overseas transactions account for only about 2 to 3 per cent of its overall transactions, but we have an advantage in expansion as China's economy grows rapidly," Ge said. UnionPay International's global strategy has two facets, one for developing economies and the other for mature economies, according to Ge. In developing economies where the payment infrastructure is still being established, UnionPay International will help its partners develop an infrastructure. After the infrastructure is established, UnionPay International can easily be used within that infrastructure.

One successful example of this approach is Thailand, and UnionPay International is establishing additional partnerships with other emerging economies, Ge said. "It is similar to helping a partner country build up a motorway, because after it has been built, our cars can very easily be driven on it, so we can export more cars." The second model of co-operation takes place in mature Western economies, where Visa and Mastercard dominate the market. UnionPay International enters such markets by first serving Chinese customers who travel abroad. For example, it works with retailers to install UnionPay terminals in their shops, which attracts Chinese visitors. In 2011, luxury hotel Ritz became the first hotel in London to install UnionPay terminals, followed by many other hotels and luxury shops. Many Western banks have also joined with UnionPay International, allowing UnionPay card holders to withdraw cash from their ATMs, and some Western banks are starting to issue UnionPay cards to their customers. So far, most of the UnionPay cards issued in Europe are still from Chinese banks, serving the Chinese community. In March, Garanti Bank, the largest bank in Turkey,



started to issue UnionPay cards. Ge said that his team is discussing such arrangements with many more banks, including the Italian bank UniCredit Group, and held a meeting with them during his visit to Italy this month. "Such partnerships are beneficial for the Italian banks as well because they help enlarge their customer base. We are building win-win relationships," Ge said.

UnionPay is a member of ACT Canada; please visit www.unionpay.com.

19. WHAT IS ANDROID PAY AND A COMPREHENSIVE ANALYSIS OF ALL ITS FACETS

Source: Let's Talk Payments (05/29)

Google unveiled details of its new payments platform "Android Pay". It meant that the U.S. mobile payments market (and global) started looking more competitive, and perhaps better for the end consumer. With more than US\$ 3.5 bn spent through this channel in 2014, the global search giant Google is hoping to make a comeback after its first troubled attempt at payments, a.k.a. Google Wallet. Those of you who have been tracking this sector closely would know that, Android devices had NFC and card emulation capabilities ahead of Apple. In-fact, Google had ventured into payments four years earlier. In early 2011, Google launched the "Google Wallet" which was described as "novel, not so perfect, and certainly not a seamless payment solution" back then by reviewers. Google could not make the best use of Google Wallet in the last few years and hence lost the opportunity. They have designed Android Pay from the standpoint of smartphone manufacturers and developers which is a commendable move. Industry experts believe that Android Pay is more of a development tool than a standalone application such as that of Samsung Pay and Apple Pay. Let's explore more in this article and understand everything we know about it.

Android Pay is essentially a mobile and digital payments system that people can use for completing commerce transactions, online or in-stores at the retailers. It has a striking similarity to Apple Pay in many ways that we will touch upon later in this article. "Mobile payments are here today, and are now an essential part of the core value proposition for new devices," said Ed McLaughlin, Chief Emerging Payments Officer, MasterCard. "With the MasterCard Digital Enablement Service (MDES) and Android Pay, we can now use secure tokens to easily enable payments from a consumer's connected device. Today's news extends consumer choice and drives further ubiquity of payments on devices." "Mobile payments is big a priority for Google, so we've been working with major networks like MasterCard to help provide a seamless experience across a wide range of phones and stores. Android Pay will offer people further simplicity, security and choice when paying for things with their Android phones," said Pali Bhat, Director, Product Management, Google.

Power of Collaboration

Google through “Google Wallet” could not do a good job at collaboration which is very important in the complex world of payments. Especially with so many parties involved such as the banks, fintech companies, card networks, processors, retailers, and so on. However this time, Google is hopeful of the success of “Android Pay having worked on that aspect. Like Apple Pay, it has worked with Banks, fintech companies, card networks, processors, carriers (via softcard) and retailers which clearly is a good approach. For example, Google will enable MasterCard credit, debit, prepaid and small business cardholders to use their Android phones for everyday purchases. For consumers and merchants alike, every purchase made with a tokenized MasterCard card will offer the same security, benefits and guarantees as any MasterCard transaction. Same goes with Visa or Amex cards.

The excitement seems to be quite high on the in-app purchase side and “Android Pay” has already seen some announcements from partners. Companies such as “Stripe” and “Braintree” are providing support for it and were quick to market the fact. Braintree said in a tweet – “We’ve integrated Android Pay into the v.zero SDK. Sign up for our private beta today”. “Android Pay” is expected to be initially supported at 700,000 physical stores and by 1,000+ mobile apps merchants in the U.S.

Security Highlights of Android Pay

- First-stage device based authentication using Biometrics (fingerprint to be specific) not yet shown but finger print scanner for authentication will be supported along with the launch of Android “M”
- NFC based Android phones with secure element in the phone and/or HCE (secure element in the cloud) for in-store payments
- Tokenization of the transaction so that the PAN details are not transferred during the transaction. Your credit card number and details are not sent to the retailer system for security

Comparison with Apple Pay

Android Pay is an Apple Pay replica in many respects. It includes tokenization, tie-ups with retailers, NFC capability and in-app payments. But all these don’t matter much in the comparisons when it comes to volumes. The market share of iOS devices in the U.S. stood at 41%, while that of Google’s Android is 53%. Though “Android Pay” has no novelty, but is expected to be bigger than “Apple Pay” because of the volumes and here are the reasons:

- Android Pay will be able to launch globally faster as Android has 78% share globally compared to that of Apple iOS which is 18%. The OEM and carrier support on a regional basis will do the wonders for Android Pay

- Google's partnerships with AT&T, Verizon and T-Mobile, where the carrier will pre-install "Android Pay" on devices with NFC capability is a slight edge over Apple.
- Android Pay is also expected to integrate loyalty programs apart from payments in the future. e.g., Android smartphone users in North America will soon be able to buy a Coke and redeem My Coke Rewards points. (Apple Pay is also releasing a similar feature next month)

To me the most important thing is Google's ongoing war with Facebook on advertising. For becoming the ultimate advertising powerhouse, one needs to combine demographic data (purchase intent) with purchase data. Every such company (ad-tech) is trying to do that. If Google is successful in its effort, it will be the first company to successfully integrate "Customer demographic data with transaction data" using Android Pay (if Facebook can't move Facebook Messenger based payments fast). Ofcourse there are challenges. Safeguarding privacy of information being the prime challenge. Apple has been pretty straightforward about how Apple Pay works, clarifying that it will not store, share or track your purchase data. As for mobile payments newcomer Samsung, it's still not completely clear how the company will manage transactions. So far the firm has revealed that Samsung Pay users will be able to track transaction histories on their own devices. More on this sometime later...

Finally what about Google Wallet, and Samsung Pay?

Google's unsuccessful attempt at a mobile wallet is not going away and would stay it seems. According to some sources, Google Wallet is being reintroduced as a P2P payments app, which is a way for customers to easily transfer money to each other's debit or bank accounts in a quick way. On the other side, Samsung Pay with its acquisition of "Loop Pay" has gained access to a technology (MST) which ensures that the wallet works well with Non-NFC magnetic card readers. The approach helps them to expand globally, where penetration of NFC is lower. But at the same time it will compete with Android Pay. Especially if Samsung will enable both for its customers. For our US readers → Android Pay will be made available for U.S. Android users (running KitKat or higher) in the upcoming months. Contactless payments are currently accepted at major U.S. stores, restaurants, fuel and convenience stores who will now also accept MasterCard transactions made using Android Pay.

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



20. ANYWHERECOMMERCE RECEIVES TWO MORE PATENTS FOR EMV PAYMENT TECHNOLOGY

Source: Let's Talk Payments (06/12)

AnywhereCommerce has been issued two United States patents for its payment acceptance technology using communication devices. The company is a leader in mPOS technology and has an ever-growing patent portfolio that makes transaction data movement possible across a communications device's audio jack. With the new patents, it is expanding its patent portfolio to include contact and contactless smart card and chip operations using mobile devices. "Since 2008, AnywhereCommerce has been empowering mobility through our proven leading-edge, secure transaction technology," said William Nichols, President and Chief Executive Officer at AnywhereCommerce. "The patents we've been granted impact all mobile point-of-sale (mPOS) applications that rely on audio jack communications. Our latest patents illustrate the company's ongoing development activities, and further demonstrates our commitment to support highly secure EMV solutions using mobile devices, and to put state-of-the-art security and encryption solutions in the hands of every merchant."

AnywhereCommerce is continuously working towards innovating and enhancing its portfolio of intellectual property. The company has been issued new patents for the audio jack which is required to connect a handset or tablet and a mobile payments device. Its new patents support transactions based on communication devices such as smartphones, tablets, etc., utilizing smart card and EMV chip technology. In October, 2015, the payment networks' liability shift is due to take effect in the United States. The main driver of EMV migration is the large volume and value of counterfeit card fraud. According to the EMV Migration Forum, approximately 120 million chip cards were issued by the end of 2014, and this number is expected to jump to 600 million cards by the end of 2015. The US is already inclined towards using mobile and contactless payments. The implementation of EMV chip technology can be implemented conveniently by mobile personal devices. The POS terminals that accept EMV chip cards can accept both contact and contactless payments. The company's payment solutions support transactions initiated via near field communication (NFC) technology, including Apple Pay, Android Pay and similar solutions.

The details regarding two new patents issued to AnywhereCommerce are listed below:

Patent No. 9,053,471 - APPARATUS AND METHOD FOR CONDUCTING SECURING FINANCIAL TRANSACTIONS

A system and method are disclosed for conducting secure electronic transactions using dual-authentications. A secure server stores security information for a plurality of users and authorizes transactions being conducted by these users. A user computer system having a trusted platform module is used for storing security information relating to at least one user account. Protected



environments are created to facilitate secure connections based on at least the security information stored in the trusted platform module. Transactions between the user/electronic merchants and between the user/secure server are conducted within protected environments. When a user conducts an electronic transaction with an electronic merchant, the transaction is authenticated by the secure server before can be completed.

Patent No. 9,016,566 B2 - APPARATUS AND METHOD FOR COMMERCIAL TRANSACTIONS USING A COMMUNICATION DEVICE

An apparatus for effecting commercial transactions with a server using a transaction card via a communication device is provided. The apparatus includes a transaction device coupled with the communication device for capturing information from the transaction card and a controller for converting the captured card information into an encrypted audio signal and for transmitting the audio signal to the communication device. The communication device delivers the audio signal to the server for processing the commercial transaction.

AnywhereCommerce is a member of ACT Canada; please visit www.anywherecommerce.com.

21. GLOBAL PAYMENTS WORKS WITH MERCHANTS IN CANADA ON MOBILE PAYMENTS, LOYALTY

Source: Mobile Payments Today (06/05)

Global Payments Inc. has announced an agreement with Virtual Next, a mobile-based digital rewards products company, to offer its Canadian merchants a new mobile payment, loyalty, promotion and gift card service. Through its relationship with Virtual Next, Global Payments said it will offer a unique product designed to leverage two existing apps provided by the world's top mobile operating systems: Passbook for Apple iOS; and Google Wallet payment service. The product is designed to enable Global Payments' merchants to offer their customers mobile payment, loyalty, coupon and gift capabilities on a merchant-branded digital payment card that can be loaded directly into customers' existing digital wallets without requiring an additional app.

"By integrating our payment technology offerings with Virtual Next's mobile payment and loyalty solution, our merchants will be able to simplify their checkout process without the hassle of loading a new app," said Rene Belanger, president of Global Payments Canada. "This partnership not only will provide merchants with new revenue opportunities, but also will streamline payment acceptance."

Global Payments is a member of ACT Canada; please visit www.globalpaymentsinc.com.

22. IOT SOLUTION ENABLED BY GEMALTO HELPS OPTIMIZE SAFETY AND EFFICIENCY IN LATIN AMERICA'S BUSIEST SEAPORTS

Source: Gemalto (06/25)

Gemalto is enabling M2M connectivity for an innovative Internet-of-Things (IoT) solution that monitors dynamic ocean conditions to optimize safety and efficiency in Brazilian ports. Developed by HidroMares a leading oceanography consulting firm, the real time weather-oceanographic information system (SISMO) monitors waves, currents, water depth, temperature and salinity to improve navigation safety, streamline ship traffic and increase port productivity. The innovative SISMO telemetry system leverages robust modems by Duodigit, a provider of telemetry and biometrics technology products, to collect various ocean data from sensors deployed on buoys, piers and the seabed in ports. The modems use Gemalto Cinterion M2M Modules with embedded Java to process and send data via wireless networks and the Internet to a backend server. Port workers sign on securely to an intuitive interface and use the data to improve real time decision-making and optimize port productivity. The solution is already deployed in Porto of Açu in Rio de Janeiro state, whose location near Campos Basin is strategic to the petrol industry.

"Sampling of oceanographic data is done in extremely hostile environments requiring rugged durability of system components during installation and maintenance. The transmission of real time data demands a robust system that is reliable continuously in all conditions, 365 days a year," says Alexandre De Caroli, Technical Director of HidroMares. "Duodigit and Gemalto collaborated to provide a solution that meets these needs." "One of our biggest challenges was designing a cost efficient solution that could ensure reliable communication in the extreme environments of a seaport," said Luiz Henrique Correa Bernardes, Technical Director, Duodigit. "Gemalto's Java embedded module provides the required durability along with the processing power needed to analyze and store information locally in the device. The solution allows efficient communication as needed, which is critical for cost efficiency and preserving battery power in hard-to-service locations such as seaports."

"Optimizing supply chain logistics and improving productivity in distribution systems is key to the profitability of our increasingly global economy and it also improves fuel economy for positive environmental impact," added Rodrigo Serna, President for Latin America at Gemalto. "Solutions such as those provided by HidroMares and Duodigit will be leading Brazil and Latin America forward and helping to increase the efficiency of seaport logistics."

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



23. APRIVA, MIURA SYSTEMS PARTNER TO DELIVER MPOS PRODUCTS TO US

Source: Mobile Payments Today (06/10)

Apriva and Miura Systems announced a partnership and product integration, according to a press release. The integration will certify Miura's M010 hardware to Apriva's AprivaPay Plus mPOS application, according to the announcement. "As chip card acceptance grows, the market will demand more versatile mobile point-of-sale solutions," David Riddiford, president at Apriva, said in a statement. "There is currently a gap in the market for a comprehensive solution that addresses EMV and NFC and other emerging technologies. Partnering with Miura allows us to not only fill that gap but provide the ability to adapt with market needs and provide an all-in-one, future-proof mobile commerce solution to customers." Integrating AprivaPay Plus mPOS application with the Miura M010 will deliver a comprehensive Bluetooth v4.0 EMV and NFC contactless mobile POS card reader to merchants, according to the announcement. Miura's chip-and-PIN capabilities will provide merchants with the ability to accept both chip-and-signature and chip-and-PIN. AprivaPay Plus also comes with a merchant portal that enables merchants to track and manage inventory, run and export sales and tax reports, create users, and open customer support tickets while on the go.

"As we've seen the U.S. market expand in mobile payments and chip card acceptance begin to take off, we saw a great opportunity to bring the EMV, contactless and NFC technologies we've tested and proven in over 35 global markets to the U.S." said Mark Roberts, senior vice president of sales and marketing for Miura Systems. "With their vast connections and highly respected products, Apriva provided us with the ideal partner to bring our chip-and-PIN ready peripherals to customers in the U.S."

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

24. PUBLIC TRANSPORTATION IN LONDON TO ACCEPT APPLE PAY

Source: Card Not Present (06/15)

In the wake of Apple's recent announcement that it will launch Apple Pay in Europe this July, Transport for London, the organization that manages public transportation in the city, said it will become the first public transport provider to accept the contactless mobile payment method. TfL has been accepting contactless payments on city buses since December 2012 and on Tube and rail since September of 2014. "With around one in ten of all contactless transactions in the U.K. now taking place on our transport services in London, we are delighted to welcome Apple Pay as another new and convenient contactless way for our customers to pay for their travel," said TfL's director of Customer Experience, Shashi Verma. "I would encourage anyone who uses pay-as-you-go to try contactless."

25. REPORT: CROSS-BORDER B2C E-COMMERCE TO HIT \$1 TRILLION IN 2020

Source: Card Not Present (06/18)

Cross-border B2C e-commerce will surge to \$1 trillion in 2020, according to a new report from Accenture and Alibaba Group's research unit, AliResearch. The global market for cross-border e-commerce, which sat at \$230 billion in 2014, will grow at a compound annual rate of more than 27 percent over the next five years, and, the report said, most of that growth will be driven by China. "The country's large and growing middle class is hungry for authentic, good-quality foreign products," the report said. "China's middle class today is equal in size to the entire U.S. population and is expected to reach 630 million by 2022, according to management consultancy McKinsey." Increasingly, the report predicts, shoppers will look outside their borders to purchase goods online. While the number of online shoppers making domestic purchases will remain essentially flat, inching up from one billion last year to less than 1.2 billion in 2020, over the same time frame, the number of consumers engaged in cross-border transactions will explode. Last year, the report said 309 million consumers made a cross-border purchase. By 2020, that number will balloon to nearly 950 million.

26. TSYS RESEARCH REVEALS CANADIAN CONSUMERS PREFER CREDIT CARDS AS PAYMENT CHOICE

Source: TSYS (06/25)

TSYS announced the results of its 2015 Canadian Consumer Payment Choice Study. The second annual research found that when given a choice, 46 percent of Canadian consumers prefer to pay using their credit cards more than any other payment method. That's up from 34 percent in 2014. The recent online survey of more than 1,200 respondents, age 18 years and older, found that consumer preferences for using credit cards to shop online, combined with an overall increase in e-commerce, will likely cause a continued rise in credit use. "Consumers have more payment options than ever before due to the continuing proliferation of new technology and non-traditional companies entering the payments industry," said John Dale Hester, group executive of Relationship Management at TSYS. "Our goal from this survey is to provide relevant information to help our clients with their payment strategies, and to create a useful reference tool for other participants in the Canadian payments industry."

In addition to providing insight into basic payment preferences and influencers of cardholder behaviors, the study also revealed how consumers prefer to communicate with their bank, as well as a growing adoption of the mobile channel as a part of the payment process. Other key findings include:

- Consumers are interested in using their mobile phones to manage and protect their accounts. Nearly 30 percent of survey respondents indicated they were highly interested in the ability to use a mobile phone to stop an

unauthorized transaction. Additionally, 25 percent of respondents found the ability to instantly view card transactions highly interesting.

- Mobile apps offered by financial institutions have been highly adopted and are frequently used. Twenty-four percent of participants reported using a mobile app provided by their financial institution at least a few times per month.
- Cardholders are open to receive communications from their financial institution. Nearly 50 percent of survey respondents indicated they were willing to receive coupons or special offers based on the information their bank collected about their purchase behavior.

To learn more about Canadian consumer preferences and to get complete survey results visit: www.tsys.com/2015canadianconsumerpaymentchoicestudy

TSYS is a member of ACT Canada; please visit www.tsys.com.

27. INFINEON LAUNCHES FIDO SINGLE-CHIP REFERENCE DESIGN FOR SECURE USB TOKEN

Source: Biometric Update (06/01)

Infineon Technologies AG has launched the first FIDO certified single-chip USB token reference design supporting the FIDO Alliance Universal 2nd Factor (U2F) authentication standard. The reference design is based on the Infineon SLE 78 security controller with integrated USB interface, offering a cost and size effective solution for high security authenticators. Using the Infineon reference design, manufacturers will be able to quickly implement compact and secure USB tokens that are compliant with the FIDO U2F authentication standard. The U2F USB token can store and protect secret keys, as well as generate cryptographic signatures for log in to any FIDO-enabled website.

This adds a second factor to the authentication process that is only compatible with the intended website, effectively safeguarding users from phishing attacks.

“The FIDO Alliance has made enormous progress towards its goal of simplifying the computing ecosystem by providing simpler, stronger authentication,” said Joerg Borchert, VP of the chip card and security business at Infineon Technologies North America. “As a world leading supplier of technology to protect identity and authenticate users, we are firmly committed to helping the industry advance the state-of-the-art in security to the benefit of individual and enterprise users.” Infineon, which is also a founding member of the FIDO Alliance, contributes regularly to the group’s specification development and has released a number of FIDO certified products.

Infineon is a member of ACT Canada; please visit www.infineon.com.



28. SWEDEN GOES CONTACTLESS WITH ICA BANKEN POWERED BY OBERTHUR TECHNOLOGIES

Source: Oberthur Technologies (06/18)

Oberthur Technologies (OT), a world leader in digital security solutions for the mobility space, and ICA Banken - the first Swedish bank to do so - announce the launch of the first Dual Interface payment cards in Sweden. This is a major breakthrough in the Swedish payment market as customers will be able to experience contactless payments with fast and secure transactions. ICA Banken and OT will distribute 500,000 cards to ICA Banken customers in the coming months. The Swedish group will take advantage of OT's expertise in Dual Interface NFC migrations and capacity to produce and personalize locally a large number of cards in a limited period of time.

ICA Banken's new contactless payment cards are equipped with OT's proven Dual Interface platform Chrysalis Fly and OT's colored edge "Smart Vibrant-e" to combine the security of an EMV chip interface with an attractive "look and feel" of the card. As a subsidiary of ICA Gruppen, the leading grocery retailer in Sweden with over 1,300 stores, ICA Banken perfectly understands the need for different payment options. Their customers will be the first to benefit from contactless payment advantages: a faster checkout, more fluidity and ease of use. "We are delighted that ICA Banken chose OT as their partner to launch the first Dual Interface NFC cards in Sweden. It is a breakthrough in the Swedish market and we are excited to be part of this major contactless project. We are convinced that ICA Banken and their customers will appreciate the increase of payment cards use and an enhanced safe shopping experience," said Eric Duforest, Managing Director of the Payment Business Unit at OT.

"ICA Banken believes that contactless payments will play an important role in the future of payments and we constantly strive to make our customers' lives easier with fast and convenient payments within ICA. We chose to extend our partnership with Oberthur Technologies for this important launch thanks to OT's technical knowledge and expertise in the field," said Marie Halling, CEO of ICA Banken.

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

29. SECUREKEY BRIDGE.NET CONNECT MEETS FFIEC GUIDANCE FOR SECURE INTERNET BANKING AUTHENTICATION AND RENEWS PCI-DSS SECURITY CERTIFICATION

Source: SecureKey Technologies (06/24)

SecureKey Technologies announced its bridge.net Connect service meets the Federal Financial Institutions Examination Council's (FFIEC) layered security



guidance for secure authentication in an online banking environment. The service has also received re-certification for Payment Card Industry Data Security Standard (PCI-DSS) compliance. Verified by independent regulatory compliance services provider, Coalfire Systems, Inc. and global information security firm, Herjavec Group, respectively, SecureKey provides financial institutions with multi-channel customer authentication assurances. According to Verizon, 33 percent of today's web application attacks are financially motivated, with hackers targeting vulnerable identity and authentication controls to obtain access to customer accounts, transaction funds and other sensitive information.

"Cybercrime is the single greatest security threat to today's companies and their consumers," said Robert Herjavec, Founder and CEO of Herjavec Group. "By achieving PCI-DSS certification and eliminating the vulnerabilities of standard username and password approaches, SecureKey is ahead of the curve, providing peace of mind and an important level of dual factor authentication security to its customers." Although SecureKey currently does not process payment transactions or personal identifiable information (PII) data, the company has gone the extra mile with its infrastructure to ensure the safe handling of cardholder information for its customers. SecureKey's continuous monitoring practices and strict information security controls have enabled its [bridge.net Connect](#) and CMS (Card Management System) services to once again achieve PCI-DSS compliance certification from global security leader Herjavec Group.

"Recent breaches have dramatically changed the way the financial services industry views security," said Adam Sarote, managing director of Coalfire in the Northeast. "With financial institutions increasingly turning to FFIEC recommendations to guide them in their security programs, SecureKey's layered authentication approach and initiative in affirming FFIEC compliance are clear competitive differentiators in the industry." Single-factor authentication is inadequate to prevent the risks associated with identity theft and fraudulent transactions. FFIEC guidelines recommend a security approach that includes a combination of multi-factor authentication and effective layered security controls. Rather than developing and implementing a strong authentication solution for a stand-alone application, [bridge.net Connect](#) functionality is designed to be embedded into existing web and mobile applications. Customers only need one credential, and financial institutions maintain full control of the customer experience across all channels and devices.

"[bridge.net Connect](#) eliminates the need to store and transport passwords, mitigating the privacy risks associated with usernames, passwords and personal verification questions," said Charles Walton, CEO of SecureKey. "Coalfire's verification of our compliance with FFIEC guidelines, and Herjavec Group's PCI-DSS re-certification reaffirm that we are taking the right steps to address the top-of-mind concerns and challenges faced by the financial institutions we serve in the U.S. and Canada."



SecureKey Technologies is a member of ACT Canada; please visit www.securekey.com.

30. GLOBAL PAYMENTS ANNOUNCES FULL-SERVICE ACQUIRING FOR AMERICAN EXPRESS SMALL BUSINESS MERCHANTS WITH THE ROLL-OUT OF OPTBLUE IN CANADA

Source: Global Payments (06/22)

Global Payments Inc. announced it will roll out the OptBlue program for American Express Card acceptance in Canada on June 24, 2015. OptBlue offers small business merchants a single source for payment processing, pricing, underwriting, risk management, settlement, reporting, support and a consolidated statement. With this launch, Global Payments can now provide a solution that allows merchants to accept American Express the same way as any other card brand. "We are pleased to be the first acquirer in Canada to roll-out OptBlue, offering small business merchants an easy, convenient and affordable way to accept American Express," said René Bélanger, President, Global Payments Canada. "OptBlue is an exciting addition to Global Payments' extensive product and service offering. It allows us to provide our existing merchant clients with a full one-stop servicing solution for all major card brands and expand our network, as well as engage with small business merchants that don't currently accept American Express products."

American Express and Global Payments are members of ACT Canada; please visit www.americanexpress.ca and www.globalpaymentsinc.com.

31. FIME KOREA RECEIVES VISA MOBILE CONTACTLESS LEVEL 1 ACCREDITATION

Source: FIME (06/22)

Having supported the Korean market with EMVCo Level 1 compliance services for a number of years, FIME's Korean secure chip test laboratory is now approved to test compliance of mobile handsets, chipsets and near field communication (NFC) antennae to Visa's Level 1 specifications. This accreditation is FIME's latest step in its roadmap to support manufacturers in the region. The testing provider offers testing services for both EMVCo and Visa, making it a primary partner for organisations seeking contactless mobile payment certification for NFC-based products. FIME Korea opened in 2012 to serve the testing and certification needs of the thriving South Korean mobile device marketplace. FIME has been working closely with Korea's world-leading smartphone and chipset manufacturers to develop and expand its portfolio of services.

"Much of the world's mobile payments innovation is taking place in Korea," comments JY Jung, FIME Korea's recently appointed Country Manager. "We have



listened to the market and responded to its needs. We brought forward EMVCo services a couple of years ago, so the addition of Visa mobile contactless services was a big priority as the scheme is very prominent in South Korea. This means that we can now support the manufacturers with successful, efficient and cost-effective product development and formal approval services to ensure their products work as intended on a global scale. This additional investment reflects FIME's commitment to the Korean market and we look forward to supporting its continued growth.”

FIME and Visa are members of ACT Canada; please visit www.fime.com and www.visa.ca.

32. PIVOTAL PAYMENTS' FLEXPPOINT DIVISION LAUNCHES POINT-TO-POINT ENCRYPTION (P2PE) SOLUTION

Source: Pivotal Payments (06/16)

Pivotal Payments announced it has completed certification for point-to-point encryption (P2PE) for its FlexPoint integration platform, further bolstering security at the point of sale by adding the highest level of cardholder data protection available. Along with delivering robust anti-fraud measures, FlexPoint's P2PE solution effectively reduces PCI DSS scope for merchants, ISVs and VARs, lowering the cost and effort needed to achieve and maintain compliance. FlexPoint's proprietary software encrypts cardholder data directly at the point of sale, rendering it useless to fraudsters without a special decryption key located safely with the processor. Since the encrypted data is sent to a point of secure decryption outside the merchant's environment, in the event of a breach, liability is pushed upstream to the processor. FlexPoint removes many expensive hurdles for PCI certification and also allows POS software developers and vendors to reduce time and cost associated with PA-DSS audits.

Benefits of FlexPoint's P2PE solution include:

- Enhanced security: Merchants and consumers benefit from encryption throughout the entire transaction chain as card data is protected in use, in transit and at rest. ISVs and VARs can benefit from accessing industries with tight security requirements.
- Reduced costs: PCI compliance can cost between tens of thousands to millions of dollars. FlexPoint can significantly reduce financial costs involved with PCI DSS.
- Time savings: Becoming PCI compliant can last up to two years, and renewing certification may last a full six months. To save time, FlexPoint's P2PE solution significantly relieves regulatory and security burdens.
- Fewer resources: FlexPoint helps businesses increase bandwidth and productivity by reducing resources needed to set up and maintain compliance to the latest security standards.



"Our P2PE solution presents a compelling value to all stakeholders, beginning with our ISV and VAR partners. We're making it easier for developers, integrators and dealers to offer a certified solution to their merchant clients," said Joe Lane, senior vice president of FlexPoint, a division of Pivotal Payments. "With increasing incidences of payment fraud and data breaches, it's imperative for businesses to have the best protection available to them, which is why we're continuing to develop FlexPoint's hardware, software and middleware platform with security and ease of use in mind." Along with increasing pressure for better payment security, the upcoming EMV liability shift deadline in the United States and rise of NFC-enabled mobile wallets such as Apple Pay are transforming the payments landscape, pushing demand higher for merchants to upgrade their POS devices. With FlexPoint, business owners can enable a best of breed point of sale solution that accepts virtually every payment type and protects their businesses and clients from rising card fraud.

Pivotal Payments is a member of ACT Canada; please visit www.pivotalpayments.com.

33. MOTEL 6 UPGRADES TECHNOLOGY TO OFFER ADDITIONAL PAYMENT OPTIONS TO ITS GUESTS

Source: Ingenico Group (06/15)

Ingenico Group announced that the economy lodging leader G6 Hospitality, parent company of the iconic brands Motel 6 and Studio 6, is upgrading its Ingenico Group terminals to prepare for the EMV liability shift and ensure PCI compliance, at its corporate owned properties in the US and Canada. G6 Hospitality selected Ingenico Group's customer-facing iSC Touch 480 touchscreen readers, designed for high-traffic and high-volume lodging and retail environments. The devices are fully equipped to handle all forms of electronic payment: EMV chip card, magnetic stripe, signature capture, and NFC/contactless, and fully support new payment options such as NFC, wallets and QR codes. Ingenico Group's iSC Touch 480 was the first POS device in the world to meet the more rigorous PCI PTS V4 hardware and software security requirements.

The first phase of this process involves the installation of new terminals, which will provide the foundation for the ongoing payment strategy roll out. The Ingenico Group terminals will eventually enable the corporate owned properties to accept EMV and NFC payments. Future enhancements will also allow guests to check-in kiosk style, making the process easier and faster for travelers. "We are very pleased with our partnership with Ingenico Group as they have consistently pushed the envelope on innovation by providing cutting edge technology to better serve our customers," said Jeffrey Winslow, executive vice president and chief information officer at G6 Hospitality. "We trust Ingenico Group to guide us through the U.S. transition to EMV, to ensure a seamless payment experience for our guests, and to provide us with best-in-class payment terminals that support the



technologies that keep data secure.” Gregory Boardman, Senior Vice President of Product and Development for Ingenico Group, said, “G6 Hospitality is known for its willingness to invest in technology that will improve efficiency and make for a great guest experience. Ingenico Group’s customer-facing touchscreen terminals offer guests plenty of secure options for payment, and support virtually every emerging payment option including chip cards and mobile wallets.”

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

34. VERIFONE SUPPORTS LAUNCH OF NEW STORE REWARDS OFFERING WITHIN APPLE PAY

Source: Verifone (06/10)

Announced during the Apple Worldwide Developers Conference, Apple Pay will support rewards programs from merchants with the fall availability of iOS 9. Verifone, will be among the first to enable clients to accept rewards and loyalty information in addition to NFC payments at the terminal via Apple Pay. To start, Verifone will enable six national and global retailers to be the first to accept NFC loyalty transactions on Verifone’s MX 915 and MX 925 terminals for their consumers to redeem rewards and accrue points. “Adding loyalty to Apple Pay will open a world of opportunity for a wide range of merchants to engage consumers and grow their businesses,” said Vin D’Agostino, executive vice president of Commerce Enablement, Verifone. “We are proud to support Apple Pay in expanding contactless payments to include loyalty. This is a powerful reminder of Verifone’s expertise and expansive client relationships as we continue to simplify payments and enhance customer engagement opportunities for our merchants.”

For consumers, this partnership will add another level of ease and convenience to both pay with Apple Pay and present merchant loyalty information stored in the Wallet app in iOS 9, eliminating the need to scan a plastic loyalty card.

Verifone Mx 900 Series

The MX 900 series’ ability to enhance the customer experience at the POS, while supporting all types of payments, has made it exceptionally popular among well-known merchants and retailers in North America. The MX 900 series features stunning digital color displays, high-speed graphic processors and large memory capacities that enable retailers to deliver targeted promotional content to consumers at the point of sale (POS).

Secure Payments With Apple Pay And Verifone

Security and privacy is at the core of both Apple Pay and Verifone. When you add a credit or debit card to Apple Pay, the actual card numbers are not stored



on the device, or on Apple servers. Instead, a unique device account number is assigned, encrypted and securely stored in the secure element on your device. Each transaction is authorized with a one-time unique dynamic security code, instead of using the security code from the back of your card. For merchants, Verifone's Secure Commerce Architecture (SCA) brings an important layer of security designed to protect merchants from data breaches by routing payment data directly from the terminal to the processor and bypassing the POS system. Connected terminals such as SCA will be able to add and process loyalty information used with Apple Pay.

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

35. ACCEO SOLUTIONS ACQUIRES TORONTO FIRM MULTIPOST

Source: ACCEO (06/09)

ACCEO Solutions Inc is proud to announce its acquisition of Multipost Ltd, a Toronto-based firm which works with point-of-sale (POS) terminal software for small and mid-sized retailers in a variety of specialized sectors. With this acquisition, ACCEO Solutions is expanding its product range by adding the full SmartVendor suite of POS software, which is used by over 2700 businesses in Canada and the United States. It will continue Multipost's mission to provide retailers with reliable, user-friendly, and cost-effective software solutions, in addition to offering them new opportunities, thanks to its expertise in the area of SMB e-business operations. "We are very happy to be welcoming Multipost to ACCEO Solutions; it brings more than 30 years' worth of experience in solutions which are highly complementary to those already offered by ACCEO," says Gilles Létourneau, president and CEO of ACCEO Solutions. "The addition of Multipost's solutions allows us to increase our retail-sector expertise."

"We are very enthusiastic about combining our expertise with that of a company of the calibre of ACCEO Solutions, and thus allowing our loyal clientele to benefit from new opportunities, in terms of the quality of both the products and the services they need to grow," explains Harry Magerman, president and general manager of Multipost.

ACCEO Solutions is a member of ACT Canada; please visit www.acceo.com.

36. MONERIS TO OFFER MERCHANTS NEXT-GENERATION POWA TECHNOLOGIES SALES AND MARKETING SOLUTION

Source: Moneris (06/16)

Moneris Solutions Corporation ('Moneris'), one of North America's largest processors of debit and credit payments, announced today it will be entering into a relationship with Powa Technologies ('Powa') to be the preferred Canadian



provider of PowaTag, a unique mobile solution that extends the world of online commerce to traditionally offline environments. PowaTag is an innovative technology that connects consumers to the things they want to buy through a simple, easy to use mobile payment application. The solution offers a number of ways for merchants and consumers to interact and make purchases instantly, for example:

- PowaTags can be added to window displays so consumers can scan the tag and make an instant purchase and pick it up in store, or have it delivered to their home
- Audio tags can be added to radio and TV ads allowing users to 'listen' to the ad with the app and immediately purchase an item
- For charities, PowaTags enable instant-donations by using tags in advertisements on billboards, online and direct mail

Technologies like PowaTag deliver a streamlined route to buying that is in high demand from today's consumers. Businesses need to leverage the ubiquity of mobile devices in order to convert as many customer touch points as possible into sales. Turning every point of contact into a point of sale is a very powerful solution for merchants. It fundamentally changes the way in which they can interact with customers, gain sales, and drive awareness." Rob Cameron, Moneris Chief Product and Marketing Officer at Moneris. PowaTags can be QR codes, audio codes, or embedded inside applications. These PowaTags can appear almost anywhere including social media, posters, catalogues, email, mobile apps, YouTube videos, websites, store windows, and even on product packaging. When a PowaTag is triggered, the consumer is presented with a simple, frictionless path to making a purchase. With PowaTag, merchants can say goodbye to the days of shopping cart abandonment frustration. Research has found abandonment to be as high as 97 per cent when browsing on smart phones¹ and 68 per cent on tablets².

We created PowaTag with the mission to transform the way people interact and transact with their favourite brands every day. With Moneris standing as Canada's largest processor and acquirer of card payments, this partnership is a fantastic endorsement of our vision to change the retail landscape." Dan Wagner, Founder and CEO of Powa Technologies. Available for both iOS and Android, with Windows Phone coming in Q3, PowaTag technology can be easily integrated with merchants' existing e-commerce and payment systems. Not only does PowaTag open doors to new sales opportunities, the platform provides deep location-based analytics and insights into the purchasing decisions of customers.

Moneris Solutions is a member of ACT Canada; please visit www.moneris.com.



37. ORANGE BUSINESS SERVICES AND GEMALTO JOIN FORCES TO PROVIDE CUSTOMERS WITH HIGHLY SECURE ACCESS TO CLOUD-BASED APPLICATIONS

Source: Gemalto (06/15)

Gemalto and Orange Business Services announced the integration of Gemalto's market-leading SafeNet Authentication Service with Business VPN Galerie, the Orange Business Services secured cloud hub. Orange Business Services customers benefit from Gemalto's solution through Flexible Identity, which uses the SafeNet Authentication Service. The integration with Business VPN Galerie means that enterprises can benefit from a unified solution that offers seamless multi-factor authentication capability for all of their corporate applications, infrastructure and cloud services, such as Office 365 and Salesforce.com, without having to traverse the Internet, thereby improving both performance and security.

"As the world's first hub between enterprise VPNs and cloud service providers, our Business VPN Galerie is the cloud-enabling foundation for more than 1,200 enterprise customers at over 33,000 sites around the world. By leveraging Gemalto's authentication solution, we are expanding the ecosystem of available applications through Business VPN Galerie and enhancing the security for applications accessed through our global cloud-enabled network," said Pierre-Louis Biaggi, Vice President, Networks, Orange Business Services. "With more services being delivered and accessed from the cloud, security is now top of mind for network service providers and their enterprise customers. The combination of Gemalto's strong authentication service with the Business VPN Galerie network gives enterprises the assurance of more secure access to applications and data while providing a seamless experience for end users and simpler management for IT administrators," said Andrew Young, Senior Vice President of Product Management for Authentication and Identity Solutions at Gemalto.

The collaboration between Gemalto and Orange Business Services uniquely provides end-to-end access to Gemalto's multi-tier, multi-tenant cloud-based strong authentication service over the Orange IP VPN. Leading IT research firm Gartner positioned Gemalto in the Leaders Quadrant of the 2014 Magic Quadrant for User Authentication for the last four years.

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

38. CHINA FINALLY OPENING TO FOREIGN PAYMENT FIRMS

Source: Global Times (06/23)

Foreign financial companies came a step closer to realizing a long-awaited goal last week, when the central government announced it would allow them to open fully owned electronic transaction processing ventures for e-commerce

services nationwide, instead of only in the Shanghai free trade zone. The move comes after years of lobbying by foreign companies like PayPal, MasterCard and Visa, which have watched enviously the rapid growth of a domestic financial system that China committed to open when it joined the World Trade Organization (WTO) in 2001. The electronic transactions sector has grown especially fast, first as China's banks popularized debit and credit cards and more recently with the explosive growth of e-commerce. The sector was initially dominated by domestic State-owned monopoly UnionPay, which more recently has faced a growing challenge from homegrown private-sector rival Alipay, an affiliate of e-commerce giant Alibaba.

The government's decision to finally allow the foreign companies into the market reflects its confidence in these two homegrown companies, as UnionPay rapidly expands globally and Alipay booms at home and contemplates its own international expansion. China should be commended for finally opening the market, and also for dropping some burdensome restrictions that often restrict foreign companies from doing business with maximum efficiency. The Chinese regulator should now move quickly to finally approve business licenses for Visa, MasterCard, PayPal and others who have waited for years for permission to enter the market. Despite the long delays, such a move could inject new life into the sector by breaking the current duopoly of UnionPay and Alipay, providing consumers and businesses with more options for conducting their financial transactions.

China committed to opening its financial services sector when it joined the WTO, but has been extremely cautious in implementing the promise. The result was that the sector was still dominated by traditional State-run organizations until four years ago, when the central government formally began issuing licenses in the then-nascent but fast-growing sector for online electronic payments. In 2014 UnionPay processed a staggering 41 trillion yuan (\$6.7 trillion) in transactions between banks, up more than 27 percent from the previous year, as its total number of credit and debit cards doubled to about 1.2 billion. A big part of that boom has come from an explosion in e-commerce, whose annual transaction volume jumped 25 percent last year to 13.4 trillion yuan, according to the Ministry of Commerce. Both UnionPay and Alipay have thrived on the boom in transactions, and have quickly become fierce rivals in the space, even as the foreign companies watched as envious outsiders. PayPal has been waiting for more than five years for a license to operate a domestic version of its popular global electronic payments service, but has yet to receive such permission despite saying several times it was seeing positive signals.

Meanwhile, Visa and MasterCard took their case to the WTO, which ruled in 2012 that China was violating its commitments by keeping them and other foreign companies out of the market. China responded to that ruling last year, when it invited domestic and foreign companies to apply to set up bank clearing card systems. Even with that development, the foreign companies will only be able



to provide domestic transaction settlement services in foreign currency for their first three years after receiving licenses; only after that will they be allowed to provide yuan-denominated services.

The latest rule from the Ministry of Industry and Information Technology is specifically aimed at online payments, and says foreign companies can open fully owned ventures engaged in data and transaction processing for e-commerce. That decision should directly benefit companies like PayPal that engage mostly in online payment services, and is part of the government's broader efforts to open the financial services sector to private-sector competition. Having announced this step, China should move quickly to finally grant licenses to foreign companies for all electronic transactions so they can start setting up rival services before UnionPay and Alipay become more entrenched. The central government should also consider loosening restrictions on other financial services, both in terms of ownership and also limitations on providing yuan-based services. China's financial services market would be the biggest beneficiary of such steps, which would create a more competitive and innovative sector that could play a greater leadership role on the world stage. Chinese consumers and merchants would also benefit from more choices, and the foreign companies would profit from the market's explosive growth.

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

39. AMERICAN EXPRESS QUALIFIES EXPRESSPAY TEST SUITE FROM ICC SOLUTIONS

Source: ICC Solutions (06/19)

ICC Solutions is delighted to announce the release and immediate availability of the ExpressPay accreditation test suite qualified by American Express. This addition to the ICCSimTMat portfolio will allow Acquirers to perform American Express accreditation testing enabling contactless EMV chip terminals to be deployed / upgraded to accept ExpressPay contactless EMV chip cards. ExpressPay uses a contactless smart chip, allowing consumers to make quick and efficient purchases at the POS without the need to enter a PIN or provide a signature. Contactless transactions are already delivering quantifiable benefits to merchants and acquirers alike. Marc Regan, Acquirer Test Manager, ICC Solutions commented "We are pleased to offer this comprehensive new test suite for ExpressPay accreditation testing, qualified by American Express. The introduction of this new test suite enables ICC Solutions customers to further enhance their EMV portfolio and expand their testing capabilities."

American Express and ICC Solutions are members of ACT Canada; please visit www.americanexpress.ca and www.iccsolutions.com.



40. GLOBALPLATFORM LAUNCHES TEE SECURITY EVALUATION SECRETARIAT TO ACCELERATE DEPLOYMENT OF CERTIFIED TRUSTED EXECUTION ENVIRONMENT PRODUCTS

Source: GlobalPlatform (06/23)

In a move that will accelerate the deployment of certified Trusted Execution Environment (TEE)* products and promote a globally interoperable mobile ecosystem, GlobalPlatform has announced that it is launching a TEE Security Evaluation Secretariat to manage its TEE Certification Scheme. Under the scheme, providers of TEE products will be able to submit their products to the new GlobalPlatform secretariat for independent evaluation of their conformance to the organization's TEE Protection Profile.

The TEE Protection Profile, which has been certified against Common Criteria under its Trusted Computing category, specifies the typical threats the hardware and software of the TEE needs to withstand. It also details the security objectives that are to be met in order to counter these threats and the security functional requirements that a TEE will have to comply with. A positive evaluation of conformance to this security framework, through GlobalPlatform's Certification Scheme, will indicate that a TEE product meets an international security baseline. The scheme will enable service providers to confidently and effectively manage risk, by ensuring that there is a consistent level of security across connected devices.

The TEE Security Evaluation Secretariat will perform the following four functions:

- Maintenance of the GlobalPlatform Certification Scheme documents (including the TEE Protection Profile, the security evaluation methodology and legal framework).
- Accreditation of laboratories which meet certification scheme criteria.
- Management of requests for evaluation from TEE product vendors and reviews of accredited laboratory reports.
- Issuance of certificates for TEE products which meet the security evaluation criteria. GlobalPlatform will also maintain a public list of evaluated products on its website, enabling service providers to identify certified products "at a glance".

Once initial laboratories have been accredited, a key priority for the TEE Security Evaluation Secretariat will be to evaluate products combining hardware and software, within three months of receiving the product. A fast time-to-market for TEE products has been identified as a strong requirement from the mobile community, to reflect rapid mobile handset development cycles. Gil Bernabeu, GlobalPlatform's Technical Director, comments: "The launch of the TEE Security Evaluation Secretariat is a natural next step for GlobalPlatform as it advances its TEE standardization activities. The security evaluation methodology at the heart of the TEE Certification Scheme was developed by GlobalPlatform's membership; our unique technical community represents the entire mobile ecosystem, including service providers, chipset makers, OEMs, mobile network operators and security



evaluation laboratories. As such it is a truly global and cross-industry exercise. This neutrality is essential to support the development of a TEE security evaluation process which addresses the connected device security requirements of all actors, across all sectors and all regions.

“Over the next twelve months, GlobalPlatform will begin accrediting laboratories which successfully meet the criteria of the certification scheme. Multiple laboratories from all major continents have already confirmed their intent to participate in this process. Once accredited laboratories are in place, we expect the first certificates to be issued in approximately twelve months from launch. The three month evaluation cycle will then continue, in line with market requirements for a rapid certification process.” More information on the GlobalPlatform TEE Security Evaluation Secretariat and Certification Scheme can be found on the GlobalPlatform website. In addition to the TEE security evaluations offered by the TEE Certification Scheme, GlobalPlatform also offers assurances to application and software developers and hardware manufacturers that a TEE product will perform in line with the GlobalPlatform standards and as intended, through its established TEE Compliance Program.

GlobalPlatform is a member of ACT Canada; please visit www.globalplatform.org.

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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