



Welcome to the **November** and **December** 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

INTERAC - *Payment Network Partner*

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



PAYMENTS BUSINESS – *Media Partner*

New and Renewing Members

Principal Members

MasterCard Worldwide ~ member since 1999
RBC Royal Bank of Canada ~ member since 2014
Verifone Inc. ~ member since 2012

General Members

Canadian Bank Note Company, Limited ~ member since 2003
ICC Solutions Ltd ~ member since 2003
Mercury Payment Systems ~ member since 2011
Payments Business ~ member since 2010
TNS Solutions Canada ~ new member

Career Opportunities

Looking for good people?

There is a lot of movement in the market, so if you are looking for new employees, we are always aware of some great people. Please contact ACT Canada for more details – postings@actcda.com

Calendar Of Events

Monetizing Your Cobrand Partnerships & Event Sponsorships, Presented by Gemalto

Dec 17, 2014
Toronto, Canada
Join Gemalto to discuss monetizing your cobrand partnerships and event sponsorships. *Registration for this event is by invite only.*

Payments Summit, presented by the Smart Card Alliance

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

Mobile World Congress

Mar 2-5, 2015
Barcelona, Spain
www.mobileworldcongress.com/
ACT Members receive 15% off

Connect:ID

Mar 23 - 25, 2015
Washington, DC
<http://www.connectidexpo.com/>

Cartes America

Apr 28-30, 2015
Las Vegas, NV
<http://www.cartes-america.com/>
ACT members receive a registration discount



Cardware 2015
Jun 16-17, 2015
Niagara Falls, ON

<http://www.actcda.com/calendar>
*ACT members receive substantial
registration discount*

Stay tuned for our call for participation in the next stages of our Strategic Leadership Team (SLTs). We will be sending our members invites to join our Customer Authentication, Mobile, Multi-App and POS SLTs as they kick off their January to June terms and determine their mandates for the next 6 months.

Our current SLTs will be finishing up their terms this December and January. Their meeting dates (visit <http://www.actcda.com/teams/slts/> for more information) are scheduled as follows:

- Strategic Leadership Team Meetings
 - Mobile - December 15
 - Customer Authentication - January TBD
 - Multi-App Issuance – January TBD

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

Articles

1. EDITORIAL COMMENT - CHANGE THE WORLD

Source: Catherine Johnston, President & CEO, ACT Canada (11/30)

Not every question has an answer that can be found on the internet. This is our last edition of the year and it has been a year with more questions than answers. Where's the money in mobile? If people are so committed to digital currencies, why aren't governments issuing them? Who is on the other end of the transaction and how do we balance the need for security with the desire for convenience? What comes next? This is also the time of year when I make my annual wish for you. It is often said that life has meaning. It is also true that work has meaning and work is a team effort. What you do has meaning; it affects people and it is important. None of us truly works alone. We are dependent on others. Whether their work provides tools for us, transportation, communications or any of the other things that make it possible for us to work, these other people are important. In the same way you and each of us is important to others.

So, dear reader, my wish for you is that you work within a team where every person is committed to supporting your team, producing the best work they are capable of and dedicated to making a positive difference. Change the world. You can.

2. CANADIAN BANKS TO TEST HEARTBEAT BRACELET FOR CONTACTLESS PAYMENTS

Source: Finextra (11/03)

Heartbeat authentication startup Bionym is to conduct a multi-bank trial of its wearable Nymi Band for contactless card transactions at the point-of-sale in Canada. The trial will test the use ECG-authenticated payments with customers of Royal Bank of Canada (RBC) and other issuing banks before the end of the year. The Nymi bracelet has an embedded sensor which recognises the wearer's unique electrocardiogram (ECG) and communicates their identity to their devices using Bluetooth. In September, Bionym raised \$14 million on the back of a pre-launch order book for 10,000 of its wearable bracelets.

Jeremy Bornstein, head of payments innovation at RBC, says: "We're continuing to work to provide customers increased choice how they pay. Once their wristband is activated, they can leave their phone at home while they go for a run or run an errand and conveniently and securely buy a coffee or groceries with a tap of the wrist."

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

3. OBERTHUR, MOBEEWAVE TURN MOBILE DEVICES INTO POS TERMINALS

Source: Mobile World Live (11/19)

Oberthur Technologies and Mobeewave have announced a solution that can turn an NFC device into a terminal that can handle payments. However, the solution only works with those NFC-enabled devices equipped with Oberthur's own embedded secure element. The solution is called Flying mPOS. The partners are pitching the product to a range of possible customers, from device manufacturers to banks and merchants. "While the number of NFC-enabled phones and contactless cards issued around the globe is rising substantially, mobile payment acceptance remains insufficient," claim the partners.

In the US, for example, the ratio of issued contactless cards to terminals is only 600 to 1, according to Juniper Research referenced by the partners. Oberthur brings its contacts with banks and OEMs to the deal, while Mobeewave has expertise in NFC-based point-of-sale services. "When one sees that most of the banks are looking into limiting cash management, simplifying their logistics chain and reducing internal costs, the solution we provide is a blessing for them," said Benjamin du Hays, CEO & co-founder of Mobeewave.

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



4. NBS TECHNOLOGIES ANNOUNCES XPRESSI CLOUD

Source: ICMA Industry News (11/14)

NBS Technologies announced XpressiCloud a new flexible software platform designed to meet emerging financial institution needs for card and mobile credential issuance in parallel. Xpressi Cloud is a scalable solution that allows customers to personalize NFC enabled phones, and issue EMV contact and contactless cards instantly at financial institution branches or centrally through card issuers. Xpressi Cloud software suite is versatile and can be hosted at a variety of locations including financial institution data processing centers, service bureaus, and certified third party locations. The Xpressi Cloud platform includes a high performance server, flexible data preparation software, key management tools, card program creation and configuration tools, and web-based flexible reporting and management modules. The Xpressi Cloud meets all current PCI standards and has been certified by Visa and MasterCard.

"Xpressi Cloud provides a full-featured system with a wide breath of functionality," commented Alan Fontanella, Director of North American Sales. "Financial institutions want to provide their customers with solutions that meet changing lifestyles, and increasingly that will become card and mobile credential together. And with approximately 100 existing EMV integrations worldwide, NBS is recognized as a trusted source for secure transaction management solutions that meet all of today's personalization standards."

NBS Technologies is a member of ACT Canada; please visit www.nbstech.com.

5. CPI CARD GROUP LAUNCHES EMV PREPAID CARD PROGRAMME

Source: ICMA Industry News (11/14)

CPI Card Group announced the launch of its first EMV Prepaid card program in Canada with its long-standing customer, Berkeley Payment Solutions. CPI has developed its EMV Prepaid solution to better serve its customers globally as the demand for higher security across the payments ecosystem increases. The solution provides access to CPI's broad range of EMV chip technology, providing flexibility and choices to meet individual customer needs. "The Canadian market has already successfully migrated to EMV for financial debit and credit cards, benefiting from a significant reduction in fraud," said Steve Montross, president and CEO of CPI Card Group. "Berkeley Payment Solutions has remained at the forefront of driving continuous innovation for its customers, and now, by extending EMV for Prepaid, truly demonstrates the company's ability to anticipate and deliver solutions to meet the needs of its customers."

"We are thrilled to be working with CPI to bring the first EMV prepaid cards to the Canadian market," said Dave Eason, CEO of Berkeley Payment Solutions. "Berkeley is focused on delivering new and innovative payments products and



services that meet customers' evolving business needs in a timely and cost-effective manner. We are very excited about the opportunities this new EMV prepaid solution will provide our partners in financial services." "By leveraging our EMV knowledge, experience and leadership in the market, we are delighted to have been able to partner with Berkeley for the launch of their first Prepaid EMV chip card product in Canada," concluded Montross.

Berkeley Payment Solutions and CPI Card Group are members of ACT Canada; please visit www.berkeleypayment.com and www.cpicardgroup.com.

6. STARBUCKS CLAIMS A 90% SHARE OF THE US MOBILE PAYMENTS MARKET

Source: NFC World (11/03)

Starbucks accounted for more than 90% of all mobile transactions in the US last year, the coffee chain's CEO Howard Schultz has revealed during a fourth quarter earnings call in which he also set out plans to continue to dominate the mobile payments space. "In 2013, payment for purchases by use of all mobile devices in the US totalled \$1.3 billion, that was the entire market," Schultz explained during the call. "Now listen to this. With over 90% of those purchases taking place in a Starbucks store, that means we had 90% share of mobile payments in 2013 while brick-and-mortar commerce in 2013 totalled more than \$4.2 trillion. "Now what you're going to see in the years ahead will be a rapid acceleration in mobile device purchases and a continued significant migration away from bricks-and-mortar commerce. There is obviously a huge prize there and that's why we're seeing so much activity around the payment space from all kinds of companies.

"That's why every tech and financial services company in the world is today chasing the mobile payment opportunity. Yet, while these companies may have vast hardware and software development capabilities, and this is the key point here, Starbucks is the only local, national or global business of any kind to succeed in crossing both the most difficult and the most critical chasm standing between success and failure in mobile payment: Transforming consumer behaviour." "We've accomplished this by integrating the convenience of mobile payment to a compelling and enjoyable program that gives our customers rewards," Schultz continued. "No company and no retail store domestically or internationally even comes close. And, while that figure has been growing by almost 50% per year, the real growth is yet to come. Starbucks Coffee Company has cracked the code at tying mobile payments to loyalty and we are now receiving great interest in partnerships from mobile payment companies who see the value of our rewards program and the mobile payment behaviour we established.

"But, we will play our hand wisely with a long-term view, carefully choosing our partners and how we leverage our assets to take advantage of the revenue



and profit opportunities in loyalty and mobile payment ahead. But I can assure you that Starbucks will have a major role to play, both inside and outside of our stores, as the nascent mobile payment industry evolves.” “While Starbucks is today an uncontested leader in mobile, we will continue to innovate and lead around all things mobile in order to attract additional users of our app and provide an enhanced and simplified experience for our customers,” he added.

“Perhaps the single most important technology innovation we will introduce this year is Mobile Order and Pay which debuts in Portland in December and will be rolled out nationwide in 2015. And, while many people are talking about mobile and pay, what Starbucks is going to do and execute is quite different than anyone else in the marketplace. “Our research confirms that we can drive even more traffic and incrementality and offer even more customers more convenience in more locations by allowing them to place orders ahead of time via their mobile devices and pick their orders up without waiting in line. Starbucks’ Mobile Order and Pay is a totally unique technology. “It seamlessly integrates mobile ordering and our proprietary loyalty program with point-of-sale store operations, enabling us to enhance our customer experience, exceed our customer’s expectations of convenience and extend customer loyalty.

“And, as you will see in a few weeks, no company in any industry offers any technology remotely like Starbucks’ Mobile Order and Pay. Plus, we get the added benefit of increased store throughput and speed of service for all our customers.” “Imagine the ability to create a standing order that Starbucks delivered hot or iced to your desk daily, that’s our version of ecommerce on steroids,” Schultz added. “All this will grow Starbucks Rewards, our loyalty program that now has eight million active members, up 23% over quarter four last year and has been launched in 26 countries. “And we will roll out an enhanced My Starbucks Rewards program, providing even greater benefits to members in 2015, further accelerating MSR [My Starbucks Rewards] membership growth. And we have several initiatives underway that will grow membership in a short term and surprise and delight our customers.”

7. INFINEON BRINGS SECURITY TO SMART WEARABLE DEVICES: PROVIDES BOOSTED NFC SECURE ELEMENT FOR WATCHDATA’S NEW “SHARKEY” SMART WATCH AND WRISTBAND

Source: Infineon (11/05)

Infineon Technologies AG announced that it supplies its Boosted NFC Secure Element to Watchdata Technologies’ new “Sharkey” smart wearable devices. Available as smart watch or wristband, “Sharkey” generates convenient mobile lifestyle: it is a secure bank card when shopping or a contactless ticket when taking public transportation combined with personal sport management functions. Watchdata unveiled “Sharkey” – one of the first smart wearable devices available on the market with contactless payment and transport ticketing



functionality – today, at the Cartes Secure Connexions Event in Paris. “Modern society is increasingly connected and going mobile. We are delighted to contribute our security and contactless expertise for one of the first smart wearable devices available on the market”, says Stefan Hofschen, Division President Chip Card & Security at Infineon Technologies. “Infineon has been providing security solutions to protect users’ digital data for more than 30 years – and we are strongly committed to bring this expertise to smart applications in the Internet of Things to support a sustainable new way of communication and living.”

In addition to providing security and smart card functionalities, the Infineon Boosted NFC Secure Element is adapted to an ultra-small NFC antenna, consuming at least 80 percent less PCB footprint than conventional solutions – it is the perfect solution for smart wearable devices. “The Secure Element from Infineon can be seamlessly integrated into our smart wearable device while providing sophisticated security functions and excellent contactless performance”, says Jack Pan, Vice President of Watchdata Technologies’ International Business. Watchdata Technologies supplies authentication and security solutions to millions of mobile subscribers, e-banking customers and commuters in over 50 countries.

Ultra small, flexible and interoperable design

The Boosted NFC Secure Element family from Infineon supports ISO14443 A/B, ISO18092 standards for contactless communication and financial security functions. It has successfully been deployed in smart MicroSD or SIM/UICC cards to bring NFC payment to conventional mobile handsets. Thanks to its small footprint it is the optimized solution for smart wearable devices, its outstanding design fully supports the ultra-small NFC antenna required in this environment. The availability of up to 500kB secured user memory prepared for dynamic multi-application loading brings the largest flexibility to system vendors and service providers. To provide interoperable transport ticketing solutions, the Secure Element supports the CIPURSE open security standard and is compatible to transport ticketing systems based on Mifare technology. Last but not least, the Boosted NFC Secure Element provides high levels of security against user identity attacks and account tampering and received Common Criteria EAL 6+ certification as well as approval from EMVCo. With the Infineon Boosted NFC Secure Element, mobile device manufacturers and service providers have a truly open and interoperable solution at hand to address mobile payment services in cross boundary projects.

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



8. CARTA WORLDWIDE ANNOUNCES UNIVERSAL TOKENIZATION PLATFORM

Source: *Globe Newswire* (11/04)

The solution simplifies deployment and management of mobile payment products while delivering enhanced security and fraud protection. Developed in line with the EMVCo Tokenization framework, and payment network standards, Carta's advanced system, which has been deployed globally for NFC mobile payments will support all transaction types including proximity and remote payments. Tokenization is a security method that generates an alternate account number or "token" to represent a cardholder's real 16-digit personal account number (PAN), in order to facilitate a digital transaction without sharing the true card details. A specific token can be restricted by device, channel, merchant, geography, amount, etc. By shielding cardholder account data and restricting usage, tokenization greatly reduces the risk of fraud associated with online and mobile payments. In addition, tokenization can greatly simplify deployment of mobile payment products by reducing integration and development required to provision existing card portfolios into the digital environment.

Carta's Tokenization Service is part of Carta's complete digital enablement platform including Digital Credentials Management and Provisioning service, a Token Transaction Processing service and a Mobile Payment Application SDK. It may be operated as a managed service on behalf of an issuer, or managed in-house for deployment on-premises. The technology supports cloud-based payments models using HCE, and hardware Secure Element-based deployment models (using SIM-based and embedded Secure Elements). "Carta is unique; as the world's only next-generation digital transaction processing technology for Issuing Banks our platform was architected specifically for the digital ecosystem," said Brian Semkiw, CEO of Carta. "Our tokenization service is being used by industry-leading clients in markets across the globe. We are excited for the innovation that is driving mobile commerce to become a real mass-market force," he explained. Neil Livingston, Carta's Director of Mobile Products added: "Our goal is to bring simplicity to the complex payments ecosystem, and tokenization does just that--removing barriers to wide-scale adoption of mobile commerce. Tokenization provides added security and a much better user experience over the life of the payments service. Making mobile payments secure is what Carta does best, and security is key for NFC mobile payments to be adopted en masse."

Carta Worldwide is a member of ACT Canada; please visit www.cartaworldwide.com.

9. RETAILERS SEE POST-APPLE PAY SURGE IN NFC PAYMENTS

Source: *Mobile World Live (11/19)*

Retailers in the US are seeing an uplift in tap-to-pay transactions in the three weeks following the launch of Apple Pay, according to The New York Times. Grocery chain Whole Foods said it had processed more than 150,000 Apple Pay transactions, while Walgreens, the nationwide pharmacy, said mobile wallet payments had doubled since the arrival of Apple's NFC-based payment service. Meanwhile, McDonald's said Apple Pay accounted for half of its NFC-based transactions. Apple has boosted general awareness of mobile payments, even rivals say so. Rival Softcard said its app has been downloaded more often by new subscribers and used more often by its existing base, said CEO Michael Abbott. Google Wallet also said it had experienced more usage since the debut of the rival payment service.

10. INGENICO MOBILE SOLUTIONS LAUNCHES THE FIRST NATIVE MPOS TABLET APP WITH SUPPORT FOR ALL TRANSACTIONS TYPES: MAGSTRIPE, EMV AND NFC

Source: *Ingenico (11/03)*

ROAM, part of Ingenico Mobile Solutions and the leading mobile commerce platform provider, launched today the latest version of its mobile point of sale (mPOS) application, ROAMpay X5. This new version features a completely redesigned User Interface (UI) and is the first and only native tablet application for both iOS and Android that supports all mobile payment transaction types and all acceptance methods: magstripe, NFC, EMV chip & PIN, and EMV chip & sign. This application will be compatible with any Ingenico mPOS devices, including the iCMP. Leveraging its strong position in the US, where it powers 70 percent of white-labeled mPOS solutions, ROAM developed and designed ROAMpay X5 from the ground up to meet the needs of today's merchants. It provides a truly native tablet experience and familiar look and feel that reduces training time, increases merchant adoption and improves customer satisfaction. ROAMpay X5 can be fully white labeled, providing merchant service providers such as ISOs, acquirers, banks and telcos with the fastest route to market. New features and benefits of ROAMpay X5 include:

- Native tablet app: takes advantage of the larger tablet screen and gives merchants easy access to all of the information they need.
- UI redesign: improved screen flow speeds transaction times and enhances the purchasing experience.
- Seamless connectivity to the newly redesigned portal, ROAMmerchant: provides merchants with a consistent look and feel and single access point to manage their business.
- Real-time SMS receipts: accelerates checkout time and provides consumers without smartphones a quick and easy way to receive digital receipts.



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

11. GLOBAL PAYMENTS AND PLANET PAYMENT ANNOUNCE A DYNAMIC CURRENCY CONVERSION HOSPITALITY SOLUTION IN CANADA

Source: Global Payments (11/05)

Global Payments Inc. and Planet Payment, Inc announced the launch of the MICROS Payment Gateway and HomeCurrencyPay solutions at a number of hotel properties across Canada. The hospitality solution facilitates integrated payment support for the MICROS suite of products, as well as Global Payments' HomeCurrencyPay dynamic currency conversion powered by Planet Payment. Customized to meet the specific needs of the Canadian market, the solution includes support for EMV chip and PIN cards and Interac Direct Payment, and provides the latest in security and fraud features including encryption and transaction tokenization. Together, these products offer significant benefits to Canadian hospitality merchants and their guests. With the EMV-ready solution, merchants can increase compliance, reduce chargebacks and streamline their business reconciliation processes. Their international guests enjoy a more customized experience by providing an opportunity to pay for the stay in their own currency. Hotels continue to receive settlement and reporting in Canadian dollars.

These solutions are now live at all three Canadian Rocky Mountain Resort properties, the Buffalo Mountain Lodge, Emerald Lake Lodge and Deer Lodge. "As a boutique hotel, we are committed to providing our guests with the best possible service during their stay," said Allison Dean, Revenue Manager at Canadian Rocky Mountain Resorts. "These solutions improve efficiency and enhance security for our guests, with the added superior guest experience of allowing them to check-out in their own currency." "Global Payments continues to demonstrate our commitment to delivering innovative products and services to the marketplace through strong partnerships. This solution coupled with HomeCurrencyPay, is a win-win for our restaurant and hospitality merchants," said René Bélanger, president of Global Payments Canada GP. "We look forward to continuing to work with Planet Payment to expand this comprehensive product offering to other merchants in Canada."

"Planet Payment is pleased to work with Global Payments to continue to launch these robust solutions to additional merchants throughout Canada," said Drew Soinski, Managing Director of the Americas at Planet Payment. "Designed to meet the needs of the Canadian hotelier, these products provide the tools necessary to improve operational efficiencies and customer payment experience."

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

12. MOBILE ECOMMERCE BEGINNING TO TAKE HOLD IN CANADA

Source: Visa Canada (11/18)

According to Visa Canada's new quarterly report, the Visa Canada Digital Commerce Index, just over one-quarter (26 per cent) of Canadians have used a mobile device to make an online purchase over the past three months. When it comes to offline purchases at retail outlets, 68 per cent of smartphone owners are aware of Near Field Communication (NFC) or Quick Response (QR) Codes, with 65 per cent likely to make NFC or QR payments over the next six months. With most emerging technology trends there are often considerations that impede their initial rise to mainstream acceptance. Reasons for not using mobile devices for online purchasing range from ease of use and security concerns to simply not having thought about it. PCs on the other hand are favoured for their perceived convenience, speed of accessing the Internet, and security:

- 76 per cent of PC purchasers choose to do so because it is easy to make purchases online vs. 58 per cent of smartphone purchasers
- 72 per cent of PC purchasers indicated that speed of internet connection is a key consideration vs. 63 per cent of smartphone purchasers
- 65 per cent of PC purchasers trust the security on their PC vs. 55 per cent of smartphone purchasers

The top categories for online purchases across all devices (PCs, smartphone, tablets) are event tickets/entertainment, travel, and apparel/accessories. This closely mirrors what smartphone users identified in their top categories for smartphone purchases over the past three months with:

- 38 per cent purchasing music, movies and video games
- 38 per cent purchasing event tickets
- 35 per cent apparel and accessories
- 28 per cent books and magazines
- 25 per cent toys and hobbies
- 24 per cent travel transactions

"Canada is a world leader in mobile NFC and QR payments. It is very encouraging to see solid awareness of NFC payments as well as that upwards of 26 per cent of Canadians are beginning to use their mobile devices for online ecommerce payments," said Derek Colfer, Head of Innovation and Technology, Visa Canada. "The mobile industry has advanced incredibly over the past five years and with more consumer education and awareness, Canadians can look forward to fully embracing mobile commerce and payments within our market. The migration to mobile ecommerce payments is well underway."

About the Survey

The survey was commissioned by Visa Canada to gauge consumer preferences related to digital payments and was conducted by comScore. The findings are based on an online survey of 1,538 Canadians aged 18 and over, and

was conducted from September 10-17, 2014. The margin of error for a survey of this size (1,538) is ± 2.5 per cent.

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

13. MASTERCARD OUTLINES PLANS TO END THE USE OF PASSWORDS IN ONLINE PAYMENTS

Source: MasterCard (11/13)

MasterCard today outlined its vision for online payments beyond passwords, making life simpler for cardholders while increasing security. The company has been leading the co-creation of a new authentication standard, which when adopted, will be the largest wholesale upgrade to online payment security. It will benefit consumers, banks and merchants alike, with invisible authentication and far fewer prompts for passwords. By 2018, payments on mobile devices are expected to represent 30% of all online retail[1] sales and therefore the new standard will move security infrastructure beyond the PC era, supporting emerging technologies and changing consumer needs. MasterCard's approach is to utilise richer cardholder data, which will result in far fewer password interruptions at the point of sale. In the event that an authentication challenge is needed, cardholders will be able to identify themselves with the likes of one-time passwords, or fingerprint biometrics, rather than committing static passwords to memory.

Ajay Bhalla, President of Enterprise Security Solutions, MasterCard said: "All of us want a payment experience that is safe as well as simple, not one or the other. We want to identify people for who they are, not what they remember. We have too many passwords to remember and this creates extra problems for consumers and businesses." The new protocol, being co-created with Visa, could be adopted in 2015 and will gradually replace the current 3D Secure protocol. Other steps MasterCard is taking toward a password-free environment include:

- evolving its SecureCode programme to support the new standard, resulting in a smoother, simpler and safer experience for cardholders;
- piloting commercial tests for facial and voice recognition apps to authenticate cardholders;
- conducting trials of a wristband which authenticates a cardholder through their unique cardiac rhythm.

[1] Juniper Research, January 2014

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



14. TENDER RETAIL'S MCM SOLUTION ALLOWS RETAILERS TO USE IPHONE 6 APPLE PAY FUNCTION

Source: Tender Retail (10/16)

Tender Retail, a division of IT leader ACCEO Solutions, is pleased to inform North American retailers that its MCM payment solution is compatible with the Apple Pay contactless payment function, integrated with the brand-new iPhone 6. Several million iPhone 6 devices have been sold worldwide since the first weekend following the smartphone's launch. In addition, the Apple Pay function has generated much interest among consumers and retailers. With this in mind, merchant-users of Tender Retail's MCM solution will be glad to know that they will be able to accept Apple Pay payments with the great majority of contactless devices available on the market and supported by Tender Retail. In MCM, an Apple Pay payment is processed just as any other contactless payment would be. Thus, merchants with a Tender Retail MCM Value Add Contactless licence are covered and will not incur additional costs to accept Apple Pay transaction processing. Moreover, Apple Pay is compatible with MCM in both EMV (chip card) and MSD (magnetic strip) mode.

MCM middleware is used by retailers as the crucial communication interface between the point of sale and the transaction processor. With its cutting-edge technology, the solution is already used for contactless payment and has enabled several thousand of points of payments to accept Apple Pay, making Tender Retail a leader in the industry. This, together with the company's status as an NFC (near-field communication) pioneer, ensures that Tender Retail has the expertise necessary to help businesses implement contactless payment solutions in a cost-effective and efficient manner. "Since 2005, Tender Retail has been involved in the implementation of MasterCard PayPass and Visa PayWave payment methods," says Michael Loftus, Senior Manager, Product and Partner Relations at Tender Retail. "Since then, we have helped numerous high-profile North American organizations adopt contactless EMV payment. We thus have the skills needed to support businesses that want to use this technology or move from MSD to EMV."

As things currently stand, Apple Pay will be available to holders of major credit cards (American Express, MasterCard, and Visa) issued by the main American banks. For now, any consumer who wishes to register for Apple Pay must have a U.S. iTunes account and a credit card issued in the United States.

ACCEO Solutions, MasterCard and Visa are members of ACT Canada; please visit www.acceo.com, www.mastercard.ca and www.visa.ca.



15. NEW ZEALAND ALLIANCE OF BANKS AND OPERATORS SELECTS GEMALTO TSM HUB TO SECURE THEIR NFC SERVICES

Source: Gemalto (11/26)

Gemalto has provided its Allynis Trusted Services Hub (TSH) to Semble to secure its mobile NFC services in New Zealand. Semble is a joint collaboration between major banks and all three operators in New Zealand serving as the aggregator for banks and service providers. Gemalto's Allynis TSH will deliver the secure over-the-air provisioning of payment credentials to the user's NFC device. New Zealanders have made over 20 million contactless transactions worth an estimated NZD 735 million in 2014, and, an estimated one million NFC-enabled smartphones will be used in New Zealand by year's end¹. This solution, launched as a common national platform, will enable anyone to access the NFC services from any network in New Zealand, empowering 100% of the subscribers to enjoy quick, secure, and convenient NFC services.

Users will be able to use their phones to pay for goods and services at more than 16,000 contactless NFC terminals in retail outlets such as departmental stores, restaurants, and movie theatres. In the future, they will also be able to enjoy other services such as transport, loyalty points, gift vouchers, coupons, and access, with a tap of their phone. The TSH service will be hosted and operated in Gemalto's certified data center certified by the major international payments schemes, providing state-of-the-art standards of security. "New Zealanders are increasingly relying on smartphones to manage their lives," said Rob Ellis, CEO of Semble. "Gemalto enables us to confidently deploy new applications in a secure way. With over 1.5 billion mobile users worldwide covered by its TSMs and a strong record of NFC deployments, it provides a competitive edge to our service providers in launching mobile payment services across a comprehensive range of phones and networks." "Smartphone penetration has almost doubled in the last two years in New Zealand, setting the ground for NFC service adoption," said Michael Au, President South Asia and Japan at Gemalto. "Gemalto's TSH solution provides a single connection to all service providers, eliminating the need for multiple individual TSHs. This will enable Semble to attract more service providers to come onboard, and distribute new mobile services in ways never seen before."

¹ Source: <http://www.smartinsights.net/Secure-Transactions-News/New-Zealand-MNOs-and-banks-together-launch-Semble>

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

16. AMERICAN EXPRESS INTRODUCES NEW ONLINE AND MOBILE PAYMENT SECURITY SERVICES

Source: American Express (11/03)

American Express announced the launch of its American Express Token Service, a suite of solutions designed to enable its card-issuing partners, processors, acquirers and merchants to create a safer online and mobile payments environment for consumers. With American Express Token Service, traditional card account numbers are replaced with unique "tokens," which can then be used to complete payment transactions online, in a mobile app or in-store with a mobile Near Field Communication (NFC)-enabled device. By using tokens, merchants and digital wallet operators will no longer need to store consumers' sensitive payment account information in their systems. In addition, tokens can be assigned for use with a specific merchant, transaction type or payment device to provide further protection against fraud. Based on EMVCo's Payment Tokenization Specification and Technical Framework published earlier this year, American Express Token Service offers the following features:

- a token vault to store and map tokens to card account numbers,
- the ability to issue tokens,
- lifecycle management services to create, suspend, resume or delete tokens and
- additional fraud and risk management services, such as authorization and payment data validation capabilities, for card-issuing financial institutions.

American Express Token Service is available in the U.S., and international rollout is expected to begin in 2015. "We believe our payments network is a tremendous asset to American Express – one that will allow us to offer our customers new features and technologies to meet their evolving spending needs," said Paul Fabara, President, Global Banking and Global Network Business, American Express. "As we move ahead, we are excited to bring these new capabilities to our customers and look forward to continuing to serve them." American Express also announced that it has developed network specifications for Host Card Emulation (HCE). American Express' HCE specifications provide its card-issuing partners with additional security options and solutions for payments made with mobile NFC-enabled devices that support Android OS KitKat. With HCE, card issuers use a secure cloud server to store their customers' card account details, which can be transmitted from the cloud server to an NFC-enabled mobile device and then to a Point-of-Sale terminal in a fast, secure manner. American Express' HCE specifications are available today globally.

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



17. SIMPLIFYING AUTHENTICATION: GIESECKE & DEVRIENT JOINS THE FIDO ALLIANCE

Source: Giesecke & Devrient (11/04)

The faster the increase in the number of digital processes, the greater the demand for security. This development means that the issue of straightforward, yet secure authentication is becoming increasingly important. Studies show that more than two thirds of all users worldwide use just one password to protect their digital identities, surf the net or buy online. This is often detrimental to security. The FIDO Alliance (Fast IDentity Online) has set itself the task of revolutionizing online authentication and establishing uniform global standards for it. The Munich-based technology group Giesecke & Devrient (G&D), a specialist in secure communication and identity management, has now joined the FIDO Alliance. The more processes take place on the Internet and the more personal content is saved on mobile devices, the greater the need that personal and business users have for straightforward, but secure authentication.

This is the objective of the FIDO Alliance. The international industrial consortium aims to simplify online authentication and make it more convenient for users while maintaining the highest standards of security. The collective development of open, scalable, and interoperable mechanisms is expected to reduce dependence on passwords and allow secure authentication for online services. Websites or cloud applications can use the unified standard to connect easily to a range of FIDO-compatible devices. This simplifies a large number of processes, such as those in m-commerce or mobile payments. For example, consumers only have to register with PayPal once. A key pair is then generated on the device, ideally on a smart card. The private key remains on the device, while the public key is sent to the service provider. By means of a special “challenge–response” process, authentication can take place simply and securely without the need for a username or password. This approach rules out two major attack scenarios by cybercriminals, namely phishing and server-side attacks. For each additional service provider that the user registers with, a separate key pair is generated.

It is important to note that authentication always takes place from the end device to the service provider, never through a central FIDO server used by multiple providers. The best way of handling the private keys securely on the device is with a smart card. Axel Deininger, Head of the Enterprise Security/OEM division at Giesecke & Devrient, comments: “G&D is the expert in authentication services and management, a leader in the field of secure elements, supplies smart cards and SIMs, and takes on its customers’ full life cycle management in the security sector. We bring our expertise as a recognized authentication expert to FIDO’s work. We will make use of our smart card know-how to benefit the consortium and drive forward the use of open standards in our customers’ interests in environments where security is critical. This will also further solidify our position as a global player in the authentication market.”

18. TORONTO AIRPORT RAIL LINE TO USE MOBILE TICKET SYSTEM

Source: IT World Canada (11/17)

Toronto's new airport line will be using a mobile ticketing app when it opens next year. The Union Pearson Express will be using an app from New York-based Bytemark, which lets passengers buy and present tickets using their smart phones, in a move targeting visitors to the city. The Union Pearson Express, operated by Ontario government agency Metrolinx, will transport roughly 5000 people each day between Union Station in downtown Toronto, and Toronto Pearson International Airport, when the line opens in the spring. Metrolinx covers regional transport between Toronto and other cities with its GO network of trains. Bytemark will let people buy Union Pearson Express tickets online, either via a mobile app or a Web site. They can then print the ticket out, or store it on their phone. Either way, it can be scanned by mobile ticket validators carried by staff on the train.

The Bytemark system is incompatible with the Presto card, which is a near field communication (NFC)-based card used on the rest of the Metrolinx GO network, and which is also now being rolled out on the Toronto Transit Commission's urban subway system. "I can't confirm exactly what will happen at launch date but at this point in time they are two different systems," said Anne Marie Aikins, a spokesperson for Metrolinx, which is not ruling out an expansion of the Bytemark system. In-town Presto card owners can use their NFC cards on the Union Pearson Express, making it easy to go the other way on their card, and passengers can still buy tickets on board using a debit or credit card. Bytemark's CEO Micah Bergdale said that Bytemark served a specific need for out of town visitors who don't own a Presto card.

"There have been a number of different times where I've had business in the Toronto area where there are meetings downtown. I'm not going to have any other need to be able to go to other transit systems in the entire Toronto area," he said. "It's just about getting from the airport to downtown for me." The app is available on iOS, Android, BlackBerry, and Windows Phone. Regular visitors to Toronto can also register an online account and link it to a credit card to buy tickets without having to continually re-enter their details. Bytemark has already sold its mobile ticket system to several cities in the US, including New York, but this is the first city that it has dealt with in Canada.

PRESTO Card, a division of Metrolinx, is a member of ACT Canada; please visit www.prestocard.ca.

19. CANADIANS ESCHEW MOBILE PAYMENTS, FOR NOW: SURVEY

Source: Digital Transactions, by Kevin Woodward (11/20)

Mobile payments in Canada only garner 2% of all consumer purchases, finds a study from research firm GfK. But that does not signal the low adoption rate will continue. Only 21% of Canadian shoppers, defined as those who have shopped in one of 15 product categories in the past six months, said they made a mobile payment online and in a store. That is much less than nation's like China, where 83% of consumers said they use mobile payments, South Korea, 62%, and the United States, 33%. The prospect for increased use of mobile payments in Canada is buoyed by more favorable attitudes about the technology among younger generations, GfK says. Among older consumers, those from 50 to 68 years old, only 9% said that mobile payments made their shopping more efficient, compared with 38% of those 18 to 24 years old, 37% of those 35 to 34, and 27% of those 35 to 49.

Though all age groups have concerns about mobile payments security, it is more pronounced among older generations, GfK says. Only 8% of the 50 to 68 years group agreed that mobile payments are 100% secure. That increases to 22% for the next younger generation of 35 to 49, and increases yet again to 32% and 31% for the 25 to 34 and 18 to 24, respectively, age groups. "While most Canadians have yet to see the benefit of mobile payments, our findings suggest that Millennials and even younger consumers will eventually accelerate the adoption of mobile payment methods," Stephen Popiel, vice president for consulting at GfK Canada, said in a press release. "As usual, Canadians are much more conservative with financial matters, including payment technology. In order to encourage widespread acceptance, financial services companies and device makers will need to come to terms with Canadians' concerns about security and their sense that mobile payments may just be a gimmick."

20. TD AND MOVEN ANNOUNCE EXCLUSIVE CANADIAN AGREEMENT

Source: Canada Newswire (12/02)

TD and Movencorp Inc. announced an exclusive agreement that unites the strengths of each organization and marks a tipping point in the Canadian mobile banking landscape. Under the terms of the agreement, TD will have the exclusive Canadian distribution rights to Moven's industry-leading real-time, mobile-based money management app. The first of its kind in Canada, the Moven app will operate alongside the TD mobile banking app and provide customers with the ability to manage their spending habits at every transaction by linking their TD banking activities in real-time to their savings goals. "The TD agreement with Moven offers our Canadian customers access to leading-edge technology with a simple, convenient and innovative way to manage day-to-day financial choices alongside long and short-term financial goals," said Rizwan Khalfan, Chief Digital Officer, TD Bank Group. "The addition of real-time money management



capabilities to the TD mobile app demonstrates our commitment to comfort and convenience and to our growing leadership in the digital banking space. Customers will be better informed on how they use their money and empowered to improve their financial wellness with each spending decision they make."

Moven is a money management app that provides users with instant feedback on their spending behavior. Moven's app links with both traditional plastic payment cards as well as newer mobile payment technologies to provide instant notifications and spending insight whenever a card is swiped or a phone is tapped to make a payment. Where traditional budgeting apps often entail hard work and scold users when they over-spend, Moven's instant notifications make managing money effortless and use positive reinforcement to guide users toward building proficient spending behaviors. "No other mobile-based bank account or personal spending app currently available to Canadians offers the ability to track your financial health in real-time," said Brett King, founder and CEO, Moven. "This is a big step for Canadian banking and we are excited to work exclusively with TD to bring Moven technology to customers along with the information they need to create money habits they can feel good about. Budgeting isn't the answer – changing your spending behavior is – think of this as a personal trainer for your wallet." Additional details around the design and functionality of the Moven app and how it will work with the TD mobile banking app will be made available at market launch later in 2015.

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

21. GLOBALCOLLECT AND UNIONPAY INTERNATIONAL ANNOUNCE WORLDWIDE ACQUIRING PARTNERSHIP

Source: Ingenico (11/27)

GlobalCollect, an Ingenico Group company, and UnionPay International, a subsidiary of the fast growing global payment network China UnionPay, unveiled a worldwide partnership that sees GlobalCollect become a worldwide acquirer for the UnionPay network. UnionPay is the number one international card brand in the world measured by the number of cards issued. With the agreement, GlobalCollect can now connect its client base of leading, international eCommerce companies with the holders of 4.5 billion UnionPay cards, creating access to rapidly growing eCommerce markets across Asia and beyond. Merchants offering their consumers to pay with UnionPay cards through GlobalCollect now benefit from faster boarding and implementation, full service processing and consolidated reporting. GlobalCollect processes UnionPay payments in over 90 authorization currencies worldwide.

"eCommerce is booming in China and across Asia Pacific, with Chinese consumers in particular increasingly shopping for international brands. This is driving a boom in cross-border commerce to China and creates huge opportunities for GlobalCollect merchants," said Mark Patrick, General Manager Asia Pacific at

GlobalCollect. “GlobalCollect represents the top tier of international eCommerce merchants, and with this partnership in place, we can now help these merchants expand their regional footprint and connect with millions of consumers from China and beyond.” According to “The Global Impact of Chinese e-Commerce”, online cross-border shoppers (known as “hai tao” in China) are expected to spend \$22.68 billion by 2014, an increase of more than 80% from 2013. Popular products among the hai tao include luxury items such as cosmetics, clothing and perfume. Other rapidly growing sectors of the digital economy include travel, with digital travel sales in China expected to increase by 34.2% year over year to \$8.72 billion in 2014, and gaming, with online game revenue in China forecasted to surpass \$16.3 billion in 2014 and then exceed \$32.5 billion in 2017.

“Chinese consumers are increasingly participating in the global online marketplace, as evidenced by the rapid growth in the number of cross-border transactions that UnionPay International enables,” said Hong Tao, General Manager, Sales and Support Department at UnionPay International. “GlobalCollect represents some of the world’s premier online merchants in retail, travel and digital goods, and our partnership with GlobalCollect further expands the range of high quality, international products and services that are available to our cardholders.”

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

22. MARKETING GETS PERSONAL AT CIBC WITH BIG DATA PUSH

Source: IT Business (11/27)

Thanks to analytics, Canadian Imperial Bank of Commerce (CIBC) has a much better idea of where its travel rewards program customers are headed these days. Not the destinations they’re heading to on accumulated travel points, but where they’re going in terms of their needs, preferences, and behaviour as customers. “There’s a lot of buzz around big data and analytics,” says Jose Ribau, vice-president of client and competitive insights at CIBC. “To build better relationships with our clients we wanted to demonstrate one fundamental thing: that we know them.” CIBC pondered how to do this as it introduced something new last year: a travel rewards credit card brand called Aventura. At the same time, it wondered if there was a better way to tap into the business value of something older: years of customer data collected across the bank’s credit card portfolio.

“What else is out there that we could be doing differently? Are we sitting on under-utilized data that could complement (new metrics) and do an even better job?” Ribau recalls of the discussion within CIBC. The bank turned to U.S. firm FICO. Founded in 1956, it’s best known for calculating credit scores. Today its business analytics programs help companies gauge consumers’ preferences, predict their future behaviour, and tailor customer service and marketing to them accordingly. “What is relatively new is applying this level of sophistication with this



amount of data to personalize offers and messages to consumers based on their day-to-day behaviour,” says Ana Marcos, client services partner, marketing and mobility solutions at FICO. By providing a more personalized client experience, CIBC hoped to retain customer loyalty for its outgoing Aeroplan program while launching the new one called Aventura. FICO used various algorithms and created a database of over 7,000 information variables to produce metrics on CIBC’s travel rewards clientele. Based on transaction data – such as how often a customer checked their credit card balance, paid it down or used the card to make purchases – FICO “could monitor where a client was starting to disengage, maybe because they were considering using (another loyalty card),” says Marcos.

“We rank order the client according to their level of relationship (with CIBC) and their risk of taking a certain action,” adds Ribau. If a client’s engagement level is low enough to suggest they might close their account, “we develop an outbound campaign to reach out to those clients” via email or phone, he says. FICO used CIBC’s existing pool of customer data to ensure the email or call was relevant to each client’s profile and preferences. Did it work? Ribau says the number of clients signing up for offers made during the FICO pilot project increased by “greater than three per cent.” CIBC has also seen “cross-sell rates as high as 11 per cent for the customers we’ve engaged with,” he adds. (That measures how successfully the bank up-sold existing clients on additional products.)

Results are in: personalization is good for ROI

CIBC isn’t the only business seeing results from personalization. In a 2013 Econsultancy survey of 1,100 marketers worldwide, 59 per cent said personalization provides “good ROI.” In the same study, businesses that personalized web experiences reported an average jump in sales of 19 per cent. Customers can view personalization differently, however. When Adobe surveyed 8,750 consumers worldwide last year, 68 per cent agreed “it’s creepy” when companies target ads to individuals based on their behaviour. In another 2013 survey by Lyris, 63 per cent of consumers said personalization is now so common they’ve grown numb to it. “There’s a fine line between being relevant and crossing over and becoming annoying to clients,” Ribau acknowledges. If CIBC engages a customer in ways they don’t prefer, “we have the ability with the frontline (service) agents to make a note of that in your profile,” he says. He adds that CIBC’s privacy policies are always disclosed to customers whenever they sign up for a product or service. Still, why do some companies find it tough to personalize without turning customers off? Legacy technology is one reason, says branding expert Minter Dial. “They’re trying to retrofit the CRM program they bought 10 years ago for the new (omni-channel) model with the new demands of consumers,” says Dial, president of the Paris-based digital branding agency The Myndset Company.

In addition, he says companies that focus more on short-term customer acquisition vs. long-term retention can get fixated on technology – and forget their core customer. “(They) fall into (asking) ‘What type of technology should we buy?’

before asking ‘What are we trying to achieve and who are we trying to achieve it for?’” says Dial, former head of business development at L’Oreal’s global e-business division. (He was also Montreal-based managing director of L’Oreal Canada’s professional products division from 2003 to 2006.)

Personalized marketing should be... personal

For companies worried about bombarding clients with personalized offers, Dial has some advice: try to keep customer service in-house instead of outsourcing it, and share customer information cohesively among your various business divisions. “Are they organized in a way that makes it simple for the company to have a single customer view? Or for the customer to have a (consistent) view of the company?” Dial asks. The 2013 Lyris survey suggests there’s room for improvement on that front. Only 27 per cent of marketers said they always integrate customer data from various sources into a centralized customer database. CIBC is still reviewing results from its FICO analytics pilot project. When asked to assess its overall effectiveness, however, Ribau provides proof that’s personal, not just statistical. A client contacted by phone during the program ended up making an appointment to review their mortgage because they’d just undergone “a significant life change,” says Ribau. That, he says, is exactly how it’s supposed to work.

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

23. TSYS AND FICO TO DELIVER ANALYTICS-POWERED CARD MARKETING PRODUCT

Source: TSYS (11/13)

TSYS announced a new licensing agreement with FICO (NYSE: FICO), the predictive analytics and decision management software company. The agreement will deliver a revolutionary, analytics-powered marketing product for card issuers called TSYS Targeted MessagingSM powered by FICO. TSYS Targeted MessagingSM, designed to enhance cardholder communication, will include FICO Customer Dialogue Manager, a multi-channel marketing platform that enables clients to create, execute and manage precisely timed and targeted campaigns that engage customers across all channels based on their interactions and preferences. This is part of a broader analytics solution suite from TSYS slated for launch in 2015 that will empower financial institutions to make more precise marketing decisions for engaging cardholders and driving growth. "At TSYS, we recognize how valuable it is for our clients to effectively engage their customers in order to provide quality service and improve business efficiency. This calls for innovative solutions that combine data with business strategy," said Paul Bridgewater, group executive of Global Product, TSYS. "Through this agreement with FICO, we will help our clients put data into action with access to valuable customer insights and enhanced communication."



Announced during the FICO World 2014 conference, the product will combine FICO's expertise in predictive analytics and campaign management software with TSYS' industry-leading analytics and security capabilities. "Contemporary marketers are constantly on the lookout for sharp insights into customer behaviors which can be applied to generate more individualized offers," said Don Peterson, vice president and general manager of Marketing Solutions at FICO. "FICO's really good at finding those sharp insights, and together with TSYS, we've been able to build a solution featuring easy-to-use dashboard interfaces that provide real-time visualization of trends and data, allowing TSYS' clients to immediately put these insights to work in automated marketing strategies and campaigns targeted to specific card segments across multiple delivery channels." TSYS and FICO have a long standing partnership offering card issuers worldwide advanced analytic solutions, including hosted versions of FICO Falcon Fraud Manager and FICO Triad Customer Manager.

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

24. NEW NXP MODULE CREATES A PARADIGM SHIFT FOR SECURE NFC MOBILE TRANSACTIONS

Source: NXP Semiconductors (11/03)

NXP Semiconductors N.V. introduced the PN66T module: the most comprehensive solution for secure mobile transactions. The module combines a highly secure Smart MX2 element (P61), Near Field Communications (NFC) radio, operating system and trust provisioning. To accelerate the deployment and meet the increased demands around mobile transactions, PN66T features a loader service, which enables service providers to easily deliver new applications by significantly simplifying the value chain of deploying credentials to devices. The PN66T module is designed for mobile devices like smartphones and wearables and enables converged deployment of a broad set of transaction related applications such as mobile payment, access control, transit, and authentication. "As the global leader in security and identification and co-inventor of NFC technology, NXP is uniquely positioned to enable mobile transaction solutions that make life easier and private data more secure for consumers and enterprises alike," said Jeff Miles, VP Business Development Global Payment Solutions, NXP Semiconductors. "The PN66T solves previously existing bottlenecks to widespread mobile transaction adoption by enabling service providers to deliver a wide variety of secure element use cases with a single solution. Imagine a solution to secure mobile transactions where the secure element and NFC connectivity are seen as just another resource like GPS, WiFi, or Bluetooth. The PN66T is fulfilling this premise."

The PN66T module leverages NXP's broad leadership in security and NFC, and delivers an outstanding user experience. The NXP secure element, the only common criteria certified EAL6+ product for mobile applications, providing the highest level of data protection and encryption to end users, payment issuers, and

smartphone manufacturers. The PN66T is EMVCo (Europay, MasterCard and Visa) certified, ensuring that secure payment services can be deployed on a global scale while guaranteeing interoperability with legacy and future payment infrastructures. Offered on PN66T is trust provisioning to facilitate secure injection of cryptographic keys, enabling service providers to easily deploy new secure mobile transaction applications. Key Features of the PN66T Module

- Support for full system integration and tuning in mobile OS's with proven certification
- Hardware and software co-designed for optimized solution and benchmark performance
- Fast time to market through integrated offering brings low risk
- Flexible trust provisioning to facilitate multiple OEM, SP-TSM, and MNO service models
- Complementary support for HCE to decrease financial burden on bank issuers
- NXP provides a fully integrated and proven solution with validated end applications

Key Features of the P61 Secure Element and Java Card OS (JCOP 3.1)

- P61 secure hardware microcontroller is the only Common Criteria EAL6+ security certified mobile product
- SPI interface allows strong authentication on device
- Applets: VISA Mobile Payment Application (VMPA), MCW Mobile MasterCard PayPass, American Express ExpressPay, PBOC, MIFARE4Mobile M4M2.1, FIDO

Key Features of NFC hardware and firmware

- Reduce system integration cost through BoM optimization
- Improve card emulation and reader/writer mode performance providing extended NFC range
- Reduced antenna by 25% with further optimization possible by enabling a 5V driver (optional)
- Antenna size reduction reduced in card mode by more than a factor 3 allowing optimized design for wearable devices

NXP Semiconductors is a member of ACT Canada; please visit www.nxp.com.

25. CONSUMERS WORRY ABOUT PRIVACY BUT STILL WILLING TO SHARE DATA

Source: Aimia (11/03)

Despite a series of recent, high-profile data breaches and consumer concerns over data collection, shoppers are still open to sharing their personal information, reveals a new survey released by Aimia Inc. Just how much they're willing to share, and to whom, varies greatly by industry and nationality. According to the Aimia Loyalty Lens report, when asked to rank types of businesses by the

degree to which they are comfortable with those businesses handling an individual's personal data, an overwhelming majority of consumers (82 per cent) put banks in the top four (out of ten), along with supermarkets (64 per cent), mobile phone providers (56 per cent) and their places of work (50 per cent). Conversely, 65 per cent of consumers place online search engines in the bottom two of institutions they trust and 58 per cent of consumers place social networks in the bottom two.

Despite the perception that some industries are doing a better job at protecting data than others, more than half of shoppers internationally (55 per cent) are willing to share personal information with companies in exchange for relevant rewards. That willingness is uneven across international markets. Close to three-quarters (74 per cent) of respondents from India are open to providing their personal details, compared to only one-third of more skeptical Germans (39 per cent). This may be because German consumers value their personal information the most amongst the 10 markets surveyed (36 per cent versus 29 per cent internationally). "Consumers are increasingly required to trust companies to handle their personal details," said David Johnston, Group Chief Operating Officer, Aimia Inc. "Transparency about how data is being collected and used will become a key differentiator for businesses going forward. Those that are clear and offer a better customer experience by how they use that information will build greater trust and loyalty."

Avoiding Creepiness

However, there is a fine line between providing a customized experience and coming across as just plain creepy. With the data that retailers now have, they can greet each customer by name. But knowing the particularities of the local market matter. In France, 47 per cent say they're not comfortable when supermarket cashiers address them by name, while in the Middle East 46 per cent see it as perfectly fine. Meanwhile, 66 per cent of Canadians are put off by supermarkets that send coupons to their mobile phones, while 52 per cent of residents in India are quite comfortable with it. The same applies when supermarkets follow up by phone or email after making a purchase. More than half (57 per cent) of Americans see the follow-up gesture as going too far, compared to only one in three (34 per cent) of those in the Middle East. Similar variances occur when it comes to the travel and leisure sector. While over half of consumers in Australia (56 per cent) are comfortable being called by their names by airlines, only 33 per cent of Italians are comfortable with the gesture. When it comes to follow-up calls and emails once a purchase has been made, 39 per cent of consumers internationally appreciate the gesture by airlines, but in the UK, 38 per cent are uncomfortable with the practice.

"With today's technological advances, companies have the ability to truly understand consumers — from what we like to eat, to where we like to shop, to even our names. But it's important for businesses to know when and where it's



appropriate to use this information to engage consumers, and that it varies significantly by industry and nationality. The companies that win will be the ones that listen to their consumers' preferences and use data accordingly to build mutually beneficial relationships," Johnston said.

Other highlights from the survey include:

The number one driver behind loyalty to supermarkets is being rewarded for that loyalty (22 per cent) with price coming in second at 17 per cent. In contrast, the top driver at banks is longevity of service, with rewards coming only in fifth place. Not all rewards are created equal. For many institutions — including supermarkets (36 per cent) and banks (50 per cent) — getting cash back is king. But for airlines, 69 per cent prefer either loyalty currency or exclusive discounts and for hotels it's 57 per cent. New forms of information are now becoming as sacred as or more sacred than personal data that have traditionally been kept private. When it comes to the information consumers protect the most, web history and income top the list with 39 per cent and 30 per cent respectively stating they would never share such information. That's compared with 29 per cent who would never share their mobile phone number and 23 per cent who would never reveal their online purchases.

The Aimia Loyalty Lens report looked at trends around consumer loyalty to industries, engagement with technology and attitudes towards data privacy. Additional findings are available here: www.aimia.com/loyaltylens.

Research Methodology

The international Aimia Loyalty Lens survey was commissioned by Aimia and fielded by Research Now between June and July 2014. The study surveyed 24,335 respondents in 10 international markets: United Kingdom, Spain, Italy, Germany, France, Canada, United States, Australia, India, and the Middle East: In all markets, apart from the Middle East and India, the sample sizes are all nationally representative. Because of the online nature of the survey there is some bias towards younger, higher income groups in the Middle East and Indian markets.

Aimia is a member of ACT Canada; please visit www.aimia.com.

26. GLOBALONE ANNOUNCES WIDE RELEASE OF ITS SMART TRANSACTION ROUTING ENGINE

Source: Pivotal Payments (11/03)

GlobalOne, a division of Pivotal Payments, announced wide release of its Smart Transaction Routing engine. This rules-based engine, now available to all merchants using the GlobalOne gateway, is designed to improve profits and identify cost reduction opportunities by intelligently routing transactions to the most



cost-efficient acquirer, increasing authorization rates and minimizing risk. Benefits of GlobalOne's Multi-Currency Global Payment Technology and Smart Transaction Routing engine include:

- Connectivity to over 130 worldwide networks and banks with a single integration.
- Optimizing interchange, allowing merchants to qualify for lower rates as often as possible.
- Better managing transaction traffic through multiple jurisdictions for ease of entry into new markets.
- Automating volume throttle between merchant accounts, ensuring it never exceeds the limit permitted by the processor.
- Multi-currency pricing with access to over 60 foreign currencies and alternative payment options.
- Providing international clients with a local shopping experience, for improved client satisfaction and loyalty leading to less shopping cart abandonment and repeat business.
- Reducing losses associated with potential cardholder fraud.

The acquiring platform will allow merchants to localize in different countries or regions, with the routing rules assisting in better managing transaction flow. Merchants can configure the Smart Transaction Routing engine and apply rules in real-time, allowing them to track results and further tailor them to their needs. Rules can be combined with a unique setup for multiple MIDs, ensuring ultimate customization. GlobalOne's Client Solutions experts will work with existing and new customers to create and adjust smart routing rules, ensuring fast and reliable implementation. "We're excited to launch our Smart Transaction Routing engine across our entire client base, providing unprecedented value along with our other global ecommerce solutions," said Patrick Huynh, Head of GlobalOne. "GlobalOne has helped card not present merchants successfully grow their market presence worldwide, and in the process has significantly improved their revenues."

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

27. ACS LAUNCHES ACR32 AND ACR35 MOBILE CARD READERS

Source: Advanced Card Systems (11/20)

Advanced Card Systems Ltd. launched two new mobile card readers with audio-jack interface: the ACR32 MobileMate, a magnetic stripe and contact smart card reader, and the ACR35 NFC MobileMate, a magnetic stripe card and NFC tag reader. Both mobile card readers support hi-coercivity and low-coercivity magnetic stripe cards conforming to ISO 7810/ISO 7811 specifications. They interact with mobile devices via the standard 3.5 mm audio jack interface. Each device comes with one bi-color LED and one rechargeable Lithium-ion battery. To secure transactions, both devices are capable of utilizing DUKPT key management system and AES-128 encryption algorithm. mobilemateBoth devices may be



integrated into mobile environments running on iOS (versions 5.0 and above) and Android (versions 2.0 and above). ACS MobileMate App, a demo application for these mobile card readers, is already available on the App Store, and will soon be available on Google Play.

The ACR32 may be plugged into a mobile device, or—because of its USB 2.0 full speed interface—linked to a PC to perform transactions. It works in Windows, Linux and Mac environments. Aside from magnetic stripe cards, it also supports ISO 7816 Class A, B and C smart cards, MCU cards with T=0 or T=1 protocol, and most memory cards. Meanwhile, the ACR35 supports mobile devices exclusively. Aside from magnetic stripe cards, it can access ISO 14443 Type A and B cards, MIFARE cards, FeliCa cards, and ISO/IEC 18092 NFC tags. The ACR35 is charged via USB cable. “With all the recent banking and payment developments geared towards consumers, we at ACS think that it only makes sense to develop corresponding solutions for merchants and other institutions,” says Gilbert Leung, ACS’s Senior Vice President for Sales and Marketing. “If consumers are starting to forego cash, why shouldn’t merchants and institutions be able to forego bulky terminals? Regardless of whether they want to accept magnetic stripe, contact, or contactless payments, ACS will have a device that makes them fully mobile.”

The ACR32 and ACR35 are suitable for mobile banking, mobile payment, e-healthcare, and loyalty applications. ACS also offers other mobile card readers to meet a wider range of requirements.

Advanced Card Systems Ltd. is a member of ACT Canada; please visit www.acs.com.hk.

28. MONERIS ADDS UNIONPAY TO CARD ACCEPTANCE OFFERINGS FOR CANADIAN MERCHANTS

Source: Moneris (11/27)

Moneris Solutions Corporation announced the availability of UnionPay card acceptance for merchants across Canada by partnering with UnionPay International. Moneris is the first Canadian acquirer to offer a full processing solution for the UnionPay card portfolio, including all of their domestic- and internationally-issued debit and credit cards. UnionPay is a fast-growing global payment brand with 4.5 billion cards issued globally. With an international card acceptance network of more than 140 countries and regions, UnionPay represents the world’s largest cardholders group. “We have seen tremendous growth in the number of Chinese visitors coming to Canada for work, travel and study,” says Jeff Guthrie, Chief Sales and Relationship Officer. “UnionPay card acceptance helps merchants meet the growing demand for Chinese visitors’ payment method of choice and provides them with a greater business opportunity.”



Full integration with Moneris payment applications and processes enables merchants to accept UnionPay cards like any other credit or debit card. Seamless processing allows for quick transaction settlement and integrated reporting for reconciliation of all card brand transactions. Moneris also offers full operational support for any issues arising with the UnionPay network, including chargebacks and dispute resolution. “The partnership between UnionPay and Moneris provides a more convenient payment experience for the large concentration of our cardholders in Canada,” says Larry Wang, Chief Business Development Officer of UnionPay International. “We are committed to meeting the cross-border demand of cardholders, and anticipate the rapid expansion of UnionPay card acceptance in Canada.” UnionPay card processing is available immediately on select Moneris point-of-sale (POS) terminals and for integration with custom POS solutions. Customers can contact their Moneris representative for more information.

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

29. APPLE PAY'S MISSING ONE THING RETAILERS CRAVE: DATA

Source: Mobile Payments Today

Once again loyalty marketers are finding new opportunities at their fingertips, this time courtesy of Apple. The computer maker’s Apple Pay service, which offers one-touch processing, also touches on a critical issue for merchants: the need for a long-term plan on where digital fits into an organization’s loyalty landscape. But is Apple the answer? The technology has many financial institutions and merchants buzzing because of its security features. With each purchase, Apple Pay generates a unique code used only once and then discarded. This practice, called tokenization, eliminates the need for the consumer to produce a credit card. It also sharply reduces the value of the data to potential thieves. The issue, for merchants, is Apple Pay also diminishes the ability to track consumer behavior. This is among the reasons why Walmart and others have dismissed Apple Pay, according to news reports.

The Apple Pay scenario exemplifies not only the importance of customer data to merchants, but the fine balance they are forced to strike today between the need for security and the need for customer data. Enter the potential for loyalty programs, which can capture consumer purchase (and non-purchase) activity through a separate unique identifier. Apple Pay can provide security, while an integrated rewards program can generate the data insights. No sooner had I put my thoughts to paper (or screen) than Apple had put its finger on a possible solution. On Nov. 10 it announced the launch of the Barclaycard Visa with Apple Rewards credit card, offering Apple customers rewards in the form of Apple store gift cards. No word yet on whether Apple Rewards will work with Apple Pay, but it is not unrealistic that Apple would reward users for making purchases on the iPhone. This may sound enticing for merchants that want to partner with Apple, but I don’t see how it would benefit retailers that have a loyalty scheme tied to their

own credit card or as a stand-alone program. More likely, any reward element would benefit Apple.

Which leads me to believe that Apple Pay has solved only half the problem — the security issue. Tokenization may be the hottest topic in the payments circuit since chip cards, but it doesn't resolve the issue for the overall payment industry — especially in a world that is increasingly data driven. And this leads to a key challenge for Apple: If masking the payment data means that only a portion of retailers will join Apple Pay, then it may blunt the ability of a market mover like Apple to accelerate the adoption of mobile payments. This puts the marketer's finger on a different issue: mobile acceptance, and just how many parties have to buy in.

30. BARNES AND FIME'S JOINT EMV CARD PERSONALIZATION TEST TOOL QUALIFIED BY MASTERCARD

Source: ICMA Industry News (11/26)

Barnes International and FIME, have announced that their latest jointly developed card personalization validation (CPV) test tool has been qualified by MasterCard. The test tool makes it easier for banks, card manufacturers and personalization bureaus to confidently test that a product meets MasterCard's EMV chip standard prior to applying for the formal CPV approval service. The testing tool will be of particular interest to the U.S.-based payment community, as the U.S. prepares its existing systems and processes for the market's adoption of EMV technology by October 2015. "CPV is an important part of the EMV chip card issuance process," explained Vincent Poty, head of strategy and corporate development at FIME. "In the U.S., this is even more complex as the EMV chip must support more than one payment system so that the merchant can choose how to process the transaction based on their network preferences. Testing against this latest MasterCard CPV Specification confirms that a contact, contactless or dual interface EMV chip card has achieved this requirement."

"The CPV tool enables market stakeholders, including banks, card manufacturers and personalization bureaus, to test a product's adherence to the latest MasterCard standards," said Brian Summerhayes, managing director at Barnes International. "Tool users can accelerate the new product launch process by eliminating costly and time consuming issues in the final certification stage." FIME, an accredited MasterCard service provider, will also use the updated tool in its official capacity to generate test results for MasterCard CPV product approvals.

FIME and MasterCard are members of ACT Canada; please visit www.fime.com and www.mastercard.ca.



31. MCX REVEALS THAT CURRENTC EXCLUSIVITY MIGHT NOT REMAIN FOR LONG

Source: Let's Talk Payments (11/05)

It seems that MCX will eventually support other payment technologies like NFC & Bluetooth Low Energy besides QR codes. Dekkers Davidson, the CEO and Scott Rankin, the COO of MCX have revealed that MCX might be in talks with credit card companies to open up the CurrentC mobile wallet service more broadly. Bringing Apple Pay into the picture, current MCX members, who wish to accept Apple Pay exclusively, won't be fined but would have to leave MCX eventually. Recently Meijer, an MCX member, had cited that it is adamant on using Apple Pay and won't be shutting down its NFC terminals. But Meijer is yet to be barred from the membership of the consortium. The sudden change in direction by MCX came to light during a conference call in which various journalists were invited. Different media houses revealed the following picture:

Techcrunch – Davidson mentioned that they are quite agnostic about the use of technology. MCX is willing to adopt technologies like NFC if required. MCX started with QR to reach the market on a broader scale but if retailers prefer NFC then they can switch to NFC protocols. MCX is also looking at other technologies like Bluetooth Low Energy for possible adoption. In a conclusive manner, David gave his views that there is no harm in competition and that two to three strong players must exist in the market as one alone cannot build the market.

New York Times – Davidson mentioned that CurrentC was developed on the QR code technology in order to get the app to customers in the fastest way possible. He also highlighted that merchants in the industry had written off NFC earlier as a futuristic option. Merchants hadn't planned on using it until companies like Apple incorporated it and will now drive its use in the market. Retailers will always have their own incentives to look into while offering wallet services. They would eventually adopt those services which give insights on how people shop and whether they would pay lower transaction fees on a transaction basis.

PC World – Davidson mentioned that they started with a cloud-based QR code as that could work on all phones unlike NFC. He also mentioned that the driving force behind CurrentC was to build relationships between merchants and customers keeping the technology used as secondary. Customers do have the option of passing some data to merchants by opting for incentives or they can remain anonymous as well. Getting deeper insights into customers' purchases will help merchants develop better relationships, but MCX can pivot to NFC to maintain the prime objective.

BostInno – in an exclusive interview, Chris Gardner, co-founder of Paydiant, the technology provider for MCX, mentioned that the initiative to support both NFC and Bluetooth is already in progress. He mentioned that when CurrentC launches in 2015, it won't be exclusive to QR code use only. NFC can support payment transactions at POS but can't do coupons which QR codes can. Bluetooth will help



in transactions where it is to be initiated from a certain proximal distance. Besides payments, it's also about marketing, loyalty and giving offers to customers for which multiple technologies would be necessary.

MCX considering accepting payment cards would defeat the original purpose with which the consortium was created. Even Softcard (called ISIS before) had to pivot to partnerships with payment card providers eventually. As per Davidson, MCX is still in talks and there are no further clarifications as to whether they will actually form the partnerships.

MCX is a member of ACT Canada; please visit www.mcx.com.

32. ELAVON DELIVERS APPLE PAY, EMV & SECURITY SOLUTIONS

Source: Elavon (11/03)

Elavon announces enhanced products for EMV readiness, security and support for Apple Pay. "With so many changes converging in the consumer payments space, could there be any more exciting time in our industry?" asks Marianne Johnson, executive vice president of global product and innovation at Elavon. "We're delighted to be center stage, helping our customers achieve their growth goals while keeping their payments secure in the process. Our investments in mobile and other innovative technologies are now paying off for our customers: when a business is trying to accommodate the consumer who wants to pay with their smart phone, and the next person in line who presents a chip-embedded EMV card, they know they can rely on us to help them make the sale with enhanced security and a great customer experience." As businesses across the United States upgrade their payment processes and systems to accept EMV transactions, they're naturally expecting to maximize any investment in new equipment to the greatest extent possible. "We have chosen to upgrade now to an EMV-enabled terminal," said Rusty Bittle, owner of Pure Luxe Spa in Knoxville, Tenn. "Knowing that the transactions we process offer enhanced security for our business and our customers is consistent with our mission of keeping our clients feeling relaxed and renewed. At the same time, our new equipment also supports my clients who want to use contactless technologies to pay at the point of sale with products like Apple Pay, and that is a win-win for us."

Whether EMV readiness or security, Elavon helps businesses tackle several critical payment needs with valuable solutions. This also holds true for Safe-T, Elavon's security product line. Safe-T allows customers to implement a layered security model, selecting from the right combination of EMV, tokenization, or encryption solutions that fit their particular operating practices. For businesses that rely on an integrated POS system, common in the hospitality industry, for example, Elavon developed Simplify, a security application that isolates and encrypts sensitive cardholder data. This effectively bypasses the POS, minimizing the otherwise extensive certification steps involved with PCI; at the same time, Simplify supports EMV, NFC and Apple Pay.

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

33. OBERTHUR TECHNOLOGIES PARTNERS WITH SECUREKEY TO ENABLE SECURE CLOUD TRANSACTIONS

Source: SecureKey Technologies (11/04)

Oberthur Technologies, a world leader in digital security solutions for the mobility space and SecureKey Technologies today announced that they are collaborating to enable secure cloud transactions for a wide range of identity and financial applications including online banking, eCommerce, online payments as well as proximity transactions. The integrated solution is part of a broader technology agreement between the two companies. Oberthur Technologies leverages SecureKey solutions and expertise, including its briidge.net platform, to strongly authenticate users with their devices and therefore enhance the security and convenience of cloud-based transactions. The solution removes the barriers to acceptance by optimizing the user experience and simplifying the onboarding process of multiple devices thanks to its ability to work securely and conveniently with any device that consumers already have. It allows services providers to offer increasingly more valuable services, leveraging simpler, more secure, and more streamlined user authentication across all their personal devices. Making services easier to access through mobile and web service channels, means better customer service at greater convenience and lower cost for everyone.

“We believe that our joint solution with SecureKey is the missing link to providing consumers and service providers with a secure eTransaction platform,” said Laurent Demey, Deputy Managing Director of the Solutions Business Unit at OT. “Through this partnership, OT enables issuers to easily and securely deploy cloud-based solutions using a broad base of consumer devices.” “OT has pioneered the world of mobile security solutions – providing financial institutions and consumers with maximum data security with the flexibility of enabling payment by mobile. Through this partnership, OT will deliver the first commercial-grade truly secure, scalable and user convenient cloud-based multi-factor authentication solution for popular mobile devices that consumers already have,” said Didier Serra, EVP, Global Partnerships at SecureKey. Integrated into existing OT identification and authentication management systems, the solution supports current and future card reader infrastructures, as well as PC-based platforms, and offers simple, efficient and proven integration with existing issuer payment systems.

Oberthur Technologies and SecureKey Technologies are members of ACT Canada; please visit www.oberthur.com and www.securekey.com.



34. EVERYDAY BANKING JUST GOT EVEN SIMPLER WITH FOR ON-THE-GO CANADIANS WITH NEW MOBILE FEATURE

Source: PC Financial (11/19)

President's Choice Financial services announced the addition of a mobile cheque deposit feature, adding to its array of convenient services aimed at making banking simple and better for busy Canadians. The free service allows customers to safely and securely deposit cheques on-the-go through their mobile devices. "As more and more Canadians use mobile devices in their everyday lives, we're committed to providing our customers with tools that add both value and convenience to their banking experience," said Barry Columb, President of President's Choice Bank. "For more than 16 years, PC Financial has offered Canadian families the convenience of banking where they shop for groceries, while also providing an opportunity to earn PC points redeemable for everyday rewards. With this new feature, we're helping free up more time for the things customers would rather be doing, while still offering great value and rewards." Available on both Apple and Android devices, the PC Financial mobile cheque deposit feature is fast, easy and secure. Customers' financial information is not stored on mobile devices when using this feature and all wireless communications are securely encrypted. To deposit a paper cheque online using a mobile device, customers need only follow these three simple steps:

1. Select "Deposit" on your mobile banking application after securely logging in;
2. Take a photo of the front and back of the cheque you wish to deposit, sign the back of it and then select the account you wish to use, along with the amount; and
3. After submitting your deposit, await confirmation that your money is available!

Mobile cheque deposit is the latest in a series of initiatives for PC Financial services aimed at simplifying the customer experience and providing added value and convenience.

President's Choice Financial is a member of ACT Canada; please visit www.pcfincancial.ca.

35. MASTERCARD TO EXPAND DATACASH FOOTPRINT WITH ACQUISITION

Source: MasterCard (11/06)

MasterCard announced it has entered into an agreement to acquire the Payment Gateway Services business of Transaction Network Services (TNS). The business will join DataCash in expanding MasterCard's global payment gateway solutions. This transaction is anticipated to close in the fourth quarter of 2014. With the addition of TNS Payment Gateway Services, DataCash will be able to drive additional growth of the eCommerce category – and use of MasterCard-



branded products – in North America and Latin America. The combined offering will also expand the support for the next generation of online and mobile payments solutions through a quick integration with existing merchant and acquirer platforms, while enhancing DataCash and MasterCard's fraud monitoring and mitigation capabilities. "Digital commerce continues to be a key focus for MasterCard and the industry as a whole," said Andrea Scerch, president, DataCash. "The acquisition of TNS Payment Gateway Services reflects a continued enhancement of our capabilities to support our partners as they establish and solidify their presence in both the digital and physical worlds today and into the future."

TNS has been a trusted provider to the payments industry for more than 20 years. Its Payments Gateway Services is comprised of two core businesses – an eCommerce gateway and a card-present gateway. "At TNS, we have created a feature-rich, flexible payment gateway business with best in class infrastructure and availability," said Mike Keegan, co-chief executive officer at TNS. "Combining this business with DataCash's offering will create a truly differentiated global digital commerce solution with increased development and distribution capabilities. TNS looks forward to continuing to work with MasterCard and DataCash to help their customers grow and expand their business."

MasterCard and Transaction Network Services are members of ACT Canada; please visit www.mastercard.ca and www.tnsi.com.

36. CPI CARD GROUP LAUNCHES CPIMOBILE WITH SEQUENT

Source: Consumer Electronics Net (11/03)

CPI Card Group announced the launch of CPIMobile, an innovative solution to deliver secure digital credentials to mobile phones for NFC mobile payments using Sequent technology. Sequent will enable CPI to deliver to global banks and other issuers a digital issuance solution that allows them to participate in almost any mobile wallet deployment, leveraging both Secure Element (SE) and Host Card Emulation (HCE) capabilities, and to enable their own banking apps for payments. Banks globally want to be ready to provide secure mobile payment services that cover 100 percent of their customer base, regardless of the underlying technology, and to participate or launch mobile wallets with any partner in any geography, said Steve Montross, president and CEO of CPI Card Group. Over the past years, CPI has worked with Sequent on defining a value proposition and product vision to meet these needs. We are confident that we now have a flexible and adaptable solution to provide our customers the choice for any card, any technology and any app through Sequent.

CPIMobile, enables bank issuers to participate in all mobile wallet deployments by provisioning credit and debit cards to both cloud-based HCE with tokenization as well as UICC and embedded secure element technologies. CPI will utilize Sequents patented and commercially deployed Digital Issuance (SP-TSM) solution, a PCI and EMV compliant platform for over the air provisioning of cards



to mobile devices. Banks need the assurance that the new innovative systems that will enable their business growth moving forward will meet their most stringent security requirements, and be integrated seamlessly into their key existing systems, said Robb Duffield, Sequent CEO. Sequent is excited to work with a global leader such as CPI to bridge this gap and bring the benefits of mobile payments to leading banks and millions of consumers.

CPIMobile is also leveraging Sequents patented Open Wallet Platform APIs to allow banking apps to become wallets of their own by accessing cards in secure storage to make NFC mobile payments. Banks can also provide the same API functionality to merchants and other partners and distribute payment cards to multiple apps. Ultimately, whether a consumer prefers to pay with their banking app or from their favorite coffee shop app, CPIMobile will make it possible using the same issuer credentials. The Sequent platform covers all strategic directions a bank wants to follow in mobile payments and we are excited that CPI is well positioned with a strong, competitive solution as the payments market continues to evolve, concluded Montross.

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

37. UGO, THE WALLET FOR YOUR PHONE HAS ARRIVED

Source: Canada Newswire (11/24)

UGO Mobile Solutions L.P. announced the availability of UGO Wallet: an open digital wallet application that enables consumers to start replacing credit cards and loyalty cards from their physical wallet with a simple, secure digital payment method on their smartphone. UGO Wallet is a free app and available now for download from BlackBerry World and Google Play™.

The UGO advantage

In its initial release, UGO Wallet is available for use with eligible TD Credit Cards and PC Financial MasterCard credit cards. With just a tap¹ of their smartphone, users can make purchases wherever Visa payWave and MasterCard PayPass™ are available. Registered PC Plus members can also instantly get PC points with the same tap when making eligible purchases at participating grocery stores where President's Choice products are sold. "The launch of UGO Wallet marks an important Canadian milestone: this is the first open digital wallet to combine multiple payment and loyalty programs in one convenient and secure mobile solution," said Alec Morley, CEO of UGO Mobile Solutions. "Unlike any other mobile payment offering currently available to Canadians, UGO has two participating banks, operates on both Visa and MasterCard payment networks and is supported by Canada's three biggest network carriers, while integrating the extremely popular PC Plus loyalty program."

Opportunity for growth

Today, UGO Wallet:

- allows users the ability to add eligible TD and PC Financial credit cards as well as the PC Plus card in one digital wallet application;
- provides the ability to pay via credit card, as well as compile and redeem PC points at point-of-sale at participating stores with just a tap of a smartphone;
- is as secure as paying with a physical credit card; and
- allows users the ability to set additional passwords and PINs on cards stored in UGO Wallet.

"This is only the beginning of the UGO journey," added Morley. "We look forward to collaborating with our users and participants to evolve the application and expand the openness of UGO with access to additional cards, loyalty programs and merchants."

Technical requirements - what you need

- A Near Field Communication (NFC)-enabled SIM card is required in all devices.
- UGO Wallet is available on all three major Canadian carrier networks for eligible BlackBerry 10 and Android™ smartphone devices, visit www.ugo.ca for a complete list.

Platforms are currently being developed to support additional devices, and will be announced at a later date.

MasterCard, PC Financial, TD Bank and Visa are members of ACT Canada; please visit www.mastercard.ca, www.pcfincanancial.ca, www.td.com and www.visa.ca.

38. SHAZAM CHOOSES GEMALTO'S EMV CONSULTING SERVICES TO ADVANCE U.S. MIGRATION

Source: Gemalto (10/31)

Gemalto provided SHAZAM with in-depth EMV consulting and training for its U.S. migration planning. SHAZAM is a member-owned and -controlled electronic funds transfer (EFT) network, delivering payment solutions to financial institutions across the U.S. for nearly 40 years. Gemalto's customized Allynis training services helped guide SHAZAM through its full-scale network support of EMV. Gemalto's U.S.-based consultants worked closely with SHAZAM's management to outline an EMV strategy for a smooth go-to-market solution. Gemalto has a proven track record of providing consulting services to over 150 institutions in 52 countries to accompany its partners through the entire process of enabling their systems for EMV. The comprehensive training services present customers with the technology and business considerations to plan for contact or



contactless EMV and Mobile EMV with NFC. Gemalto's consultants create a tailored consulting session based on the customer's size, needs and areas of interest.

"Gemalto's consulting services helped with our orientation to EMV. The joint effort was instrumental in helping us get our planning started correctly. As we transitioned into our design and development process, Gemalto continued to provide value by validating our approach and technical specifications," said Terry Dooley, Executive Vice President & CIO of SHAZAM. "We chose to work with Gemalto based on their 20 years of experience in global EMV migrations. Their experiences with contactless and mobile have also helped us lay the foundation for upcoming changes in payment technologies." "We tailored our consulting services to address SHAZAM's needs as they work towards specific certifications and technical requirements facing their EMV migration," said Bertrand Knopf, Senior Vice President of Secure Transactions for North America at Gemalto. "Our consulting services along with our recent expansion of U.S.-based personalization sites offer our partners a complete understanding of the payments space as they transition to the global payment security standard."

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





Now in our 25th year, ACT Canada has been the internationally recognized authority in the market. As the eyes, ears and voice for stakeholders focused on secure payment, mobile, NFC, loyalty, secure identity, and leveraging EMV, we promote knowledge transfer, thought leadership and networking. We help members protect their interests, advance their causes, build their business and grow the market. We take a neutral and non-partisan approach to all issues, facilitating collaboration among issuers, brands, acquirers, merchants, regulators, solution providers, governments and other stakeholders. Over 50% of our members have been with us for more than 5 years, enjoying ongoing value from their affiliation with ACT Canada. Please visit www.actcda.com or contact our office at 1 (905) 426-6360.

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

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Insights • Networking • Visibility

ACT Canada is the place to be to:

Filter the truth from market noise

Understand complex issues

Facilitate problem resolution

Because stakeholder dialogue helps you make profitable decisions.