

# ATMIA Media Clippings

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## Media Clippings ATMIA, June 1-15 2016

### Timmins wants banking to go postal

Timmins Today, June 2 2016

<https://www.timminstoday.com/local-news/timmins-wants-banking-to-go-postal-309489>

Timmins city council has passed a resolution on the recurring idea of postal banking and is hoping to be a voice in the ear of federal Liberals on the matter.

The resolution, as read aloud by city clerk Steph Palmateer on Monday, says that due to 'drastic cutbacks' and a 'huge public outcry in response, as well as 'stiff opposition from most federal parties', the city would motion to make a formal presentation to government officials.

The federal Liberal government led by Prime Minister Justin Trudeau made election promises to stop cuts to Canada Post, and to find sensible solutions to the issues which have dogged the organization in recent years.

'Therefore, be it resolved that Corporation of the City of Timmins provide input to the Canada Post Review task force and consider making a submission when the parliamentary committee consults with Canadians this fall,' read Palmateer, which was the final paragraph.

Councillor Pat Bamford was perplexed by some of the phrases in the document.

"I wonder if that last part of the resolution is really what we want. It gives us a job of actually making a presentation to parliamentary committee," he said.

Bamford suggested that they simplify the wording to merely state that the municipality wants to encourage the government to implement postal banking.

"We all know its a win-win for the post office, its a win-win for the people in rural areas, I don't know why we don't just say it?" said Bamford.

Councillor Andre Grzela gave a rebuttal to Bamford's remarks and proposed a minor amendment.

He feels that the wording was fine as it also emphasized the city's support for restoring home mail delivery, making Canada Post more environmentally friendly, and developing services to assist people with disabilities and senior citizens to remain in their homes longer

"I just found it to be a good idea, that if we're going to support a change in Canada Post and implement postal banking, we might as well get the whole caption that is required for this to be feasible operation."

The amended resolution was passed unanimously.

Postal banking would provide expanded access to essential financial services to both rural and urban areas. Canada had postal banks from 1867 until 1969.

Postal banking has generated huge amounts of profit in countries such as New Zealand, Switzerland, Italy, and France. Many voices in favour say that the big banks have been raking in record profits in recent decades, while cutting service, closing branches, and charging some of the highest banking and ATM fees in the world.

Several economic analysts have suggested that postal banking could save Canada Post.

Citizens interested in providing input can visit [canada.ca/canadapostreview](https://canada.ca/canadapostreview)

## How to save on foreign exchange fees on vacation

Money Sense, June 3 2016

<http://www.moneysense.ca/spend/shopping/travel/how-to-save-on-foreign-exchange-fees-while-travelling/>

OTTAWA – There are credit cards for major expenses like flights and hotels, Uber for getting around and Android or Apple Pay on smartphones.

But travellers still need at least a little cash if they're vacationing outside of Canada this summer, and that means swapping loonies for euros, yuan or other foreign currencies.

Travel agent Omar Guechtal recommends clients plan ahead and exchange as much as they think they'll need at their Canadian bank to get the best deal possible before travelling abroad.

"Banks and exchange places are actually giving a better rate when they are selling a currency than when they are buying it," said Guechtal, an assistant team leader at Flight Centre.

"If you're looking for hard cash, it is always better to be purchasing it in Canada than purchasing it at destination."

Using an ATM while travelling outside of Canada is a convenient way to get the cash wherever you are, but it comes at a cost. Depending on your bank and your account, the amount you'll pay can be a percentage of the amount you're withdrawing, a flat fee per transaction or a combination of both.

If you need use your bank card, try to limit the fees by making one or two large withdrawals instead of several smaller ones.

"If you're going to have to use your debit (card), withdraw one massive amount once and then live off the hard cash," Guechtal said.

Christian Matyasfalvi, associate vice-president for cross-border banking at TD Bank, says he's wary of the foreign exchange shops in popular tourist areas.

"Always look at the fine print," he said, noting that you need to consider both the exchange rate and any additional fees you. "Always figure out the bottom line."

Matyasfalvi also warned about so-called "dynamic currency conversion" in which foreign merchants ask if you want to be charged in Canadian dollars while using your credit or debit card.

### Ways to save on solo travel »

"Always avoid that. The reality is that in the moment, you're not getting the full disclosure and often times that exchange rate that's being applied is much higher than what you'd pay with your bank's credit or debit card," he said.

Matyasfalvi said you should check with your bank so you understand what you will be charged for using your debit card outside of Canada, because some premium chequing accounts will give you a break on some of the international transaction fees.

Guechtal says how much cash you need will depend on where you're headed, but a little U.S. cash for emergencies may be useful wherever you may find yourself.

"Green speaks and it speaks around the globe, except for North Korea, but that's another story," he said.

Also found in: <http://www.northumberlandtoday.com/2016/06/07/plan-ahead-to-save-on-foreign-exchange-fees-when-travelling-this-summer>

## ATMs banned from marijuana dispensaries in Squamish

Squamish Chief, June 9 2016

<http://www.squamishchief.com/news/local-news/atms-banned-from-marijuana-dispensaries-in-squamish-1.2273584#sthash.cyZJ3oZc.dpuf>

A debate over whether or not automatic cash machines should be allowed in marijuana dispensaries became the focus of council as they mulled the first three readings of three revised business licence bylaws on Tuesday night.

The bylaws include a ban on the cash machines that members of the audience from a local dispensary opposed.

“The reason we have an ATM is because the banks will not allow us a point-of-sale machine, we can’t use debit, we can’t use credit, the only access our patients have is cash, so we are just providing the convenience for them,” Don Fauchon of the Cannabis Growers of Canada told council. He also noted the machines were a separate business with separate owners unrelated to the dispensary.

Councillor Susan Chapelle agreed the machines should be allowed and put forward a motion to pull the ban of the cash machines from the bylaws.

“You can use ATMs, a cash dispensary system at a liquor store or to get any other opioid, to pay for your medication at a drugstore,” she said.

However, the motion failed and the ban is in effect now that the three business licence related bylaws passed, with only Councillor Doug Race opposing because he said he could not support bylaws that allowed an illegal business, marijuana dispensaries.

“There are other good things in these bylaws and the fees and charges and so forth, but the part that I do object to and it will be no surprise to anybody is the references to marijuana dispensaries and so for those reasons – and the fees charged to them as well as the penalties of \$100 a day... which is going to be the cost of doing business for some people – I won’t be supporting any of these bylaws,” he said.

The bylaws aim to modernize business licensing in the district and align licensing with zoning, according to district staff. Some highlights include the allowance of a secondary suite and a home-based business at the same residence and opening up licensing for mobile food vendors. The maximum business licence fee is \$2,000, other than for marijuana dispensaries, which would pay \$5,000.

The district posted information about Squamish’s business licence bylaws at [squamish.ca/business-and-development/business-licenses-and-directory/](http://squamish.ca/business-and-development/business-licenses-and-directory/).

## **Someone trying to steal bank card info at Fredericton ATM**

CBC News, June 12 2016

<http://www.cbc.ca/news/canada/new-brunswick/nb-fredericton-bank-card-theft-1.3631511>

Fredericton police seized a skimming device from a cash machine outside the Farmers Market at around 10 a.m. Saturday.

Such devices are placed over the slot where you put your card. They are used to try to steal bank card information from ATM users.

Police estimate the device was placed there some time after 6 a.m..

They say it was not capable of transmitting information wirelessly so no information was compromised.



## Canada's major banks hiking fees while pulling in big profits

CBC News, June 13 2016

<http://www.cbc.ca/news/business/banking-fees-profits-1.3629701>

If you're already feeling gouged by bank fees, it may be time to check your statements. Almost all of Canada's big banks are doling out some kind of personal banking fee increase this year.

Bank fee hikes can easily make people angry, especially when those financial institutions are earning multi-billion dollar profits. But some experts argue the charges are just the cost of doing business.

"Banks are expensive to run," says Carleton University business professor Ian Lee.

They may be costly operations, but some also pull in plenty of cash. Last month, TD reported a second-quarter profit of \$2.05 billion, up from \$1.86 billion in the same period last year, thanks largely to retail bank earnings.

TD also **hiked some fees** on March 1. For example, the bank raised non-TD ATM fees by 50 cents to \$2. It's also the last of the big banks to levy a fee — \$75 — for transferring a tax-free savings account to another bank. TD said it introduced the fees "to remain competitive in today's marketplace."

The changes quickly inspired fury online.

"They make BILLIONS every year forever. But that's not enough, let's tack on a few more cents or dollars and let's make more," commented one reader on [a CBC News story](#) about the new fees.

"They're getting richer than you think," echoed another person.

### ***Widespread increases***

CIBC was next in line with **fee hikes**. On April 1, it upped the minimum account balance needed to avoid a monthly fee for its Everyday Chequing Account from \$1,000 to \$2,000. Transaction fees associated with that account also went up.

CIBC is having a good year as well. The bank saw its **second-quarter profit** grow to \$941 million, up 3.3 per cent from the same period last year.

CBC News asked CIBC why it introduced the fee hike, and if the bank is planning any other personal banking fee increases this year.

In response, the bank provided details about its new Smart Chequing Account, which offers a flexible pricing plan.

It isn't just savings and chequing accounts: **Scotiabank**, **BMO** and **National Bank** are all upping some credit card fees this year. BMO, for example, on Friday increased the charge for a missed credit card payment due to insufficient funds by \$8 to \$48.

This month, National Bank also raised some banking service fees by 25 cents. The bank explained that the changes are in line with their digital development.

### ***Blame it on online banking***

Professor Lee explains that charging fees for personal banking became a trend a couple of decades ago, and says it is largely the digital age that's to blame.

Lee spent a decade working in the industry in the 1970s and 1980s. He says during that time banks often didn't charge fees for personal savings and chequing accounts, which were treated as loss leaders to generate other business.

But Lee says when banks moved into the digital area, they suddenly faced enormous costs — everything from complex hardware and software development to hiring security teams who could fend off potential hackers.

"I don't find it a coincidence that they started to increasingly charge for fees just shortly after they decided to go online, investing massively in digital banking."

Lee also points out that these days the big banks face more competition from smaller institutions such as credit unions, which have "become much more aggressive, more professional at horning in."

That increased competition shrinks profit margins, Lee says, and consequently means that banks are not inclined to offer freebies.

"They incrementally and gradually moved towards pricing every product as a standalone, separate product line that had to break even or make money."

***'If there's gouging, it should be publicized'***

The big banks often argue the fee increases are required to remain competitive. But not all Canadians are buying it.

Duff Conacher, co-founder of Ottawa-based Democracy Watch, believes some bank fees are getting out of control. The advocacy group has been lobbying the government to investigate all bank charges.

"There needs to be an independent audit of every division of the banks to determine whether there's gouging. And if there's gouging, it should be publicized," he says.

Conacher believes the publicity could force banks to bend.

There's some evidence this can work. Last year, when new Royal Bank fees sparked public and political outcry, the company axed them.

Royal had planned to charge customers transaction fees for payments on their loans, mortgages and credit cards from some RBC accounts.

While Lee says banks have their reasons for charging fees, he believes that Royal's charges went too far.

"To charge people to make a payment that they're compelled to make out of the loan agreement, I thought that the optics were terrible," he says.

At the time, RBC said it had changed its policies because it was listening to customers. The bank tells CBC News it has no personal banking fee hikes planned for this year.

So while banks are free to up their fees, Canadians are also free to complain if they feel they're being gouged. Now and then, complaining can actually bring about change.

Similar articles:

- <http://www.bnn.ca/News/2016/6/15/Canadian-banks-hike-consumer-fees-even-as-collective-profits-rise.aspx>
- <http://www.therecord.com/news-story/6725046-canadian-banks-boost-consumer-fees-even-as-collective-profits-rise/>

## Rising ATM fraud: Strategies for protecting you and your members

CU Insight, June 14 2016

<https://www.cuinsight.com/rising-atm-fraud-strategies-protecting-member.html>

Consumers (and credit unions!), be on alert. ATM fraud – particularly “[skimming](#)” – is increasing today. In fact, [ATMmarketplace.com](#) recently reported that more than \$2 billion in [ATM](#) losses are suffered globally each year, a number that is quickly rising. And 98 percent of these losses are due to skimming fraud.

According to [Statisticbrain.com](#), there are approximately 425,000 ATMs today in the U.S., and the majority of them have yet to upgrade to [EMV](#) security technology. Without EMV, an ATM is particularly vulnerable to skimming fraud, in which counterfeit magnetic stripe cards are used to withdraw the machine’s cash from an unsuspecting cardholder’s account.

### The U.S. Lags Behind in its Migration to EMV

One of the reasons the U.S. remains such a hotbed of ATM fraud is that many other countries around the world have already implemented EMV. As a result, fraudsters are moving away from EMV-compliant locales such as Europe, South Africa and Canada, and instead concentrating their efforts on what they see as a treasure trove of highly vulnerable machines here in the U.S. And this promises to be the case until EMV market saturation reaches a critical mass.

Plus, while the ATM platform itself sits squarely at the scene of the crime, it is not the root cause of today’s ATM skimming crisis. The bigger issue lies in cyberspace, where volumes of stolen card data resides, including tens of millions of records collected by fraudsters during recent mass-merchant security breaches. This account information, available for purchase on the [dark web](#), is loaded by fraudsters onto counterfeit magnetic stripe cards which can function like the real thing, especially when inserted into a non-EMV-enabled ATM.

All of which makes a compelling case for credit unions and other financial institutions to upgrade their ATM fleets with EMV card readers.

So where do U.S. ATMs stand on their journey toward EMV compliance? [CO-OP Financial Services](#) estimates that at least 20 to 30 percent of the firm’s client credit unions are on track to implement EMV by October 2016, and that the vast majority of U.S. financial institutions overall will roll out EMV across their ATM fleets by the end of 2017.

### Recognizing ATM Risks

There are security measures that members themselves should take, and as a trusted resource for them, you should inform them on best practices. Make sure they know that the most secure ATMs reside within a vestibule at the financial institution itself, and also that utilizing the same machine or location consistently will help them become more familiar with their surroundings.

This is important because they should always examine the ATM and look for anything out of the ordinary before inserting a card. Unusual splash screens or new external fixtures could indicate the presence of skimming equipment, cameras or malware. And if a device looks at all suspicious, they should report it immediately to the credit union, owner of the ATM or directly to law enforcement.

### The Importance of Visual Inspections

Credit unions should also have procedures in place to ensure the integrity of their ATMs. Branch personnel and servicers should regularly conduct visual inspections in compliance with the guidelines established by the [Payment Card Industry Data Security Standards Council](#).

And, if not already underway, it is important to take those first steps toward migrating your ATM fleet to EMV. Financial technology companies, such as CO-OP Financial Services, can assist you through the process.

However, even with all the security that EMV provides, the age of card fraud is far from nearing its end. Historically, when perpetrators of fraud see a door close, they move to another channel. And as EMV adoption continues to make strides across the U.S., we are also experiencing a rise in card-not-present fraud.

So remind your members to be vigilant about all transactions – both card present and card-not-present – and to utilize advanced security tools such as [mobile apps](#) for card controls and alerts. With this technology, members can put exacting restrictions on how their cards are used, blocking fraudulent transactions before they are carried out.

In the fight against card fraud, there is no substitute for an informed, aware member. Investing in the right solutions – and then engaging your member base with them – will ensure that you minimize card fraud and the disastrous impact it has on everyone involved.

## Five things you should know before you start your work day on June 16

Financial Post, June 15 2016

[http://business.financialpost.com/executive/executive-summary/five-things-you-should-know-before-you-start-your-work-day-on-june-16?\\_lsa=a2b7-f50e](http://business.financialpost.com/executive/executive-summary/five-things-you-should-know-before-you-start-your-work-day-on-june-16?_lsa=a2b7-f50e)

Good morning. The world's biggest banks are drafting in traders to work through the U.K.'s vote on whether to stay or leave the EU next week. Meanwhile, the big banks in Canada are raising fees. And Japan's Uniqlo gets ready to set up shop here. These stories and more in your morning cheat sheet to the Financial Post.

### 1. London traders brace for Brexit

The world's biggest banks including Citi and Goldman Sachs will draft in senior traders to work through the night following Britain's referendum on EU membership, set to be among the most volatile 24 hours for markets in a quarter of a century, William James, Freya Berry and Patrick Graham report.

A vote to leave the European Union on June 23 would spook investors by undermining post-World War Two attempts at European integration and placing a question mark over the future of the United Kingdom and its US\$2.9 trillion economy.

Citi, Deutsche Bank, JPMorgan, Goldman Sachs, HSBC, Barclays, Royal Bank of Scotland and Lloyds are among those banks planning to have senior staff and traders working or on call in London as results start to dribble in after polls close at 2100 GMT, according to the sources.

Jamie Dimon, chief executive officer of JPMorgan Chase & Co, told employees on a visit to Britain this month that if the vote was to leave the EU, the bank would have to have "teams of people thrown on what that means."

"We won't know what it means: there is a wide range of outcomes," Dimon, a supporter of Britain's membership who has warned of job cuts at JPMorgan in Britain if there is an Out vote, said in the broadcast speech.

A vote to leave could unleash turmoil on foreign exchange, equity and bond markets, spoiling bets across asset classes and potentially testing the infrastructure of Western markets such as computer systems, stock exchanges and clearing houses.

### 2. Fed signals lower rate path going forward

The Federal Reserve kept U.S. interest rates unchanged on Wednesday and signaled it still planned two hikes this year, although a slowing economic growth path for 2016 and 2017

prompted a downgrade in where the U.S. central bank thought rates would peak, [Jason Lange and Howard Schneider report](#).

Even this year's rates projection was less secure than previously, however. Six of the Fed's 17 individual forecasts from governors and regional Fed presidents projected just one hike this year, compared with one such outlook when the forecasts were last issued three months ago.

"We are quite uncertain about where rates are heading in the longer term," Fed Chair Janet Yellen told a news conference after the rate decision.

The U.S. central bank lowered its economic growth forecast for 2016 to 2.0 per cent growth from 2.2 per cent and its outlook for 2017 to 2.0 per cent from 2.1 per cent.

It also cut its longer term view of the appropriate federal funds rate by a quarter point to 3 per cent and indicated it would be less aggressive in tightening monetary policy after the end of this year.

### 3. CNOOC dispute could impact China-Canada trade

When Chinese oil giant CNOOC Ltd. sought Canadian government approval of its Nexen Inc. acquisition four years ago, it went to great lengths to present itself as a market-driven company that answers to its shareholders, [Claudia Cattaneo reports](#).

But its unilateral changes of major contracts in China with Toronto-listed Husky Energy Inc. and Primeline Energy Holdings Inc., after they spent billions to develop offshore gas discoveries, feeds concerns that state-controlled Chinese companies remain primarily instruments of the state — and could trip up efforts by Canada to expand trade with China.

The two energy companies made separate discoveries in China's offshore and partnered with CNOOC to develop them as required under Chinese law.

Now that they are producing, CNOOC is paying lower gas prices than agreed under its contracts, signed when gas prices were higher and before Beijing mandated lower domestic gas prices to stimulate use and transition away from coal.

Primeline launched arbitration proceedings in May and Husky is in ongoing negotiations with CNOOC.

Both have threatened lawsuits if the efforts don't pay off. Both have asked Ottawa for help.

### 4. Japan's Uniqlo eases into Canadian market

Uniqlo may not be a well-known clothing brand among many Canadians, but its cold-weather clothing seems strategically targeted to appeal to our population as the Japanese clothing giant prepares to open its first two stores in here this fall, [Hollie Shaw reports](#).

The world's fourth-largest specialty apparel company behind Zara, H&M and Gap Inc. shares some key qualities with the three larger retailers: its prices and supply chain put it firmly in the category of 'fast fashion' and its extensive line of apparel basics have been compared to Gap's classic style.

But much of what the Japanese clothing giant sells features product and fabric innovations designed to set it apart from its peers.

"We call it 'Lifewear'," said Yasuhiro Hayashi, Uniqlo Canada's chief operating officer. "It's simple apparel with a not-so-simple purpose."

Uniqlo's summer tank dresses for women, for example, come with built-in bras, and lightweight 'UV Cut' cotton summer sweaters block out 90 per cent of the sun's rays. The casual style of its twill 'BlockTech' rain jackets belie the garments' wind-proof and waterproof capabilities.

##### 5. Big banks hike fees

Several of Canada's biggest banks are upping the fees that they charge customers even as they continue to rake in hefty profits, and experts say Canadians are likely too complacent to do much about it, [Alexandra Posadzki reports](#).

TD Bank boosted a number of the fees associated with its personal deposit accounts starting March 1, including increasing the cost of using a non-TD ATM to \$2 from \$1.50. The lender also introduced a \$75 fee to transfer a tax-free savings account to another institution.

CIBC boosted the minimum balance needed to avoid paying a monthly fee for its Everyday Chequing Account to \$2,000 from \$1,000 and raised the fee for each transaction over 12 to \$1.25, from \$1.

Meanwhile, Scotiabank and the Bank of Montreal are increasing some of fees associated with their credit cards.

The changes come as the banks face pressures from low oil prices, slowing loan growth and rock-bottom interest rates. Despite those headwinds, Canada's five biggest banks — TD, CIBC, Scotiabank, BMO and Royal Bank — earned a combined \$8.12 billion of profit in their fiscal second quarters.



Neil Gross, executive director of investor rights group FAIR Canada, says for the most part Canadian consumers are too complacent in terms of tolerating fees from companies such as banks, rather than switching to lower-cost options such as credit unions or some of the emerging financial technology startups.

## Canadian consultant, cooperative team up for ATM channel overhaul

ATM Market Place, June 15 2016

<http://www.atmmarketplace.com/news/canadian-consultant-cooperative-team-up-for-atm-channel-overhaul/>

Quebec-based Alithya, a strategic consulting and IT services firm, has been tapped by Desjardins Group, Canada's largest cooperative financial institution, to modernize its automated banking machines and service counters.

The Alithya FinTech International Excellence Centre will add a remote development center — including a lab housing 10 ATMs — for the undertaking.

According to a press release, more than 100 Desjardins and Alithya experts will collaborate to complete the strategic project by the end of 2018.

According to Alithya President and CEO Paul Raymond, the agreement speaks to the company's fintech expertise and its longstanding relationship with the FI.

"The recognized operational excellence, advanced banking industry knowledge and mutual confidence that characterizes our 25-year relationship with Desjardins were all determining factors in winning this major contract," he said.