

Member Newsletter

In the second edition of our member newsletter, please find important information on EMV chip implementation and key dates, an update on the Government's Code of Conduct on Debit and Credit cards as it relates to THE EXCHANGE® Network, recent Ficanex Board of Director appointments, and not to be missed – a contest where you can win cool cash while learning more about THE EXCHANGE® Network.

We welcome your feedback on what information would be most valuable for you in these newsletters. Please send an email with suggestions to lmatheson@the-exchange.ca and let us know.

Chip Implementation Quick Notes

Upcoming:

All EDSSP projects are underway as anticipated and the full EMV implementation is on target.

Chip Implementation UPDATE

THE EXCHANGE® Network is transitioning to chip — our commitment to making a safe network even more secure. New ATM cards and THE EXCHANGE® Network's over 2400 ATMs across the country will become chip enabled by the end of the year.

"Getting EMV implementation completed right the first time is Ficanex's foremost goal," says Linda Matheson, Network General Manager. "To that end, we are working with each EDDSP to achieve or improve on the estimated completion dates (noted below) for EMV certification while at the same time maintaining high standards." To achieve EMV certification, each EDDSP will conduct connectivity set up, system testing, certification, and then full end-to-end testing of the network with the CSP. In September, the network is anticipated to be fully EMV compliant and organizations can begin to issue new chip cards to consumers with confidence.

Activity	Start Date	Estimated Completion Date
CSP (Threshold) Systems Ready for EXCHANGE Certification	April 15, 2010	April 15, 2010
EDSSP 1: HSBC EXCHANGE EMV Certification	May 3, 2010	June 11, 2010
EDSSP 2: EVERLINK EXCHANGE EMV Certification	June 7, 2010	July 9, 2010
EDSSP 3: Threshold EXCHANGE EMV Certification	May 3, 2010	August 13, 2010

EDSSP 4: National Bank
EXCHANGE EMV
Certification

July 26, 2010

August 27, 2010

All EDSSP Test

August 30, 2010

September 13, 2010

What's New

Interac and THE EXCHANGE® complementary

“Interac and THE EXCHANGE® Network are considered complementary networks and may co-exist on a consumer’s debit card” – a positive confirmation for all THE EXCHANGE® Network members from the Government of Canada in relation to the voluntary Code of Conduct for Debit and Credit Cards.

To support this important position, Ficanex prepared and submitted a position paper to the Financial Sector Policy Branch, Department of Finance, Canada and the Financial Consumer Agency of Canada. In response, they amended the voluntary Code of Conduct for Debit and Credit Cards to make this status clear. We received confirmation from the Department of Finance Canada that Interac and THE EXCHANGE® Network are indeed considered complementary.

Ficanex will continue to maintain a working relationship with government and monitor new policy developments to mitigate or take advantage of developments that could impact THE EXCHANGE® Network and its members.

We've Moved

After many years in our Surrey, B.C. location Ficanex has relocated to Langley, B.C. We are conveniently located just off Highway 1 and the 200th Street interchange. If you are in the area please drop by for a visit.

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Who's New

Ficanex’s Board of Directors provides strategic direction for THE EXCHANGE® Network on behalf of members. According to Fred Cook, Chair of the Board, “It is an important opportunity to support and shape the direction of the network for the benefit of all financial institutions holding membership.”

Directors attend 6-7 meetings annually of which 4 are in person and 3 by conference call.

Additionally there is an annual 1-day planning session. Each director takes a position on either the Finance & Audit Committee or the Governance Committee.

“We value and respect all our members and have a desire to see all regions of the country represented on our Board. We follow a formal process each year with members in the nomination process which runs from February through to May,” says Linda Matheson, Network General Manager. This year Ficanex filled 3 three-year positions on its Board from a total of 9 nominations..

Returning Directors include:

Fred Cook (Chair) - Mr. Cook has worked for two successful British Columbia credit unions at a senior technology management level for over 19 years. He is currently with North Shore Credit Union as CIO, VP Central Services and Facilities. He has a solid industry background with an entrepreneurial mindset with a focus on leveraging current technologies to introduce new business opportunities. Over the years, Mr. Cook has been involved with a number of industry related committees, the most recent and relevant being the British Columbia ATM Switching Task Force. He was appointed to the Board in 2006.

Jeremy Trigg (Vice-Chair) - Mr. Trigg has been with Vancity Savings Credit Union for 26 years. He has been in his current position, Director of Facility Management since 1992. He has been involved with ATM and EFT/POS issues since 1986 and FICANEX Services since May 1999 when he played a key role in the formation of the company. Mr. Trigg also served as the President of FICANEX Services Limited Partnership until late 2007. He was appointed to the Board in January 2008.

Andrew Obee - Mr. Obee has been part of the credit union system for 11 years. He has considerable experience in ATM and card network related issues and a solid background in information technology, strategic planning, and back office operations. Mr. Obee is currently the Vice President, Delivery Operations at Meridian Credit Union in Ontario. He has been on the board since 2007.

Simon Chan - Mr. Chan is the current Director, Strategic Initiatives for Manulife Bank of Canada responsible for managing a business services team that supports Manulife Bank in the delivery of projects, user testing, training, and daily support. He has diverse background in banking, investment management, and group pensions where he has held a variety of roles in finance, sales & marketing, operations, projects and training. Mr. Chan holds a Masters of Business Administration from Wilfrid Laurier University, Waterloo, and Honors Bachelor of Arts in Psychology, University of Waterloo. Mr. Chan is also holds the CFP designation (Certified Financial Planner).

Welcome to our New Directors:

Rick Kelln - Mr. Kelln has over 22 years of financial services experience including diverse roles in Retail Banking, Investments and Securities. His currently role at HSBC Bank Canada is Senior Vice President of Retail, Sales & Service responsible for Direct Channels within HSBC. Mr. Kelln has a unique view of the global landscape including regulatory and technology

changes that will impact the way customers' access and process banking transactions in the future. Having held several executive roles he is able to think and manage strategically.

Christopher Goodman - Mr. Goodman is the Associate Vice President, Technology at G & F Financial Group in British Columbia. He has experience and success in aligning technology to enable and support strategic direction. Mr. Goodman started with the credit union in 1997 and has provided leadership and guidance through twelve years of significant growth. He has been active in the Open Solutions Canadian Client Association Executive for 5 years and is currently serving as Chair Person. He has played a key role in liaising between clients and Open Solutions articulating and negotiating outcomes for Canadian Strategic Priorities.

Darrell Jagers - Mr. Jagers is Vice President, Information Systems at Island Savings Credit Union in British Columbia. He is a highly competent leader with a deep level of technical knowledge in areas related to FICANEX Services. Mr. Jagers has a broad understanding of a financial services organization's key functions. He is financially literate and an excellent contributor to progressive improvement initiatives. Additionally, Mr. Jagers is viewed as a leader within his credit union peer group.

Contest

THE EXCHANGE® Network is once again pleased to announce its annual contest that gets members involved and learning more about THE EXCHANGE® ATM network.

"By increasing member knowledge and improving awareness of all the benefits available to cardholders, members can in turn share the new-found or refreshed knowledge with cardholders and, in doing so, everyone wins," says Linda Matheson, Network General Manager.

Every week for three weeks, commencing June 7, 2010, Ficanex will send out a contest question with the contest rules to each financial institution's generic EXCHANGE® mailbox. We encourage members to share the contest questions with all staff. As long as the entrant is an employee of a participating financial institution they can enter by email or fax for an opportunity to win cool, hard cash.

Feedback

We welcome your feedback on what information would be most valuable for you in the newsletter and other communications. Please send an email with suggestions to lmatheson@the-exchange.ca and let us know.