

UNITED BAKERS

DAIRY RESTAURANT

Combating Credit Card Terminal Theft

The Small Business Perspective

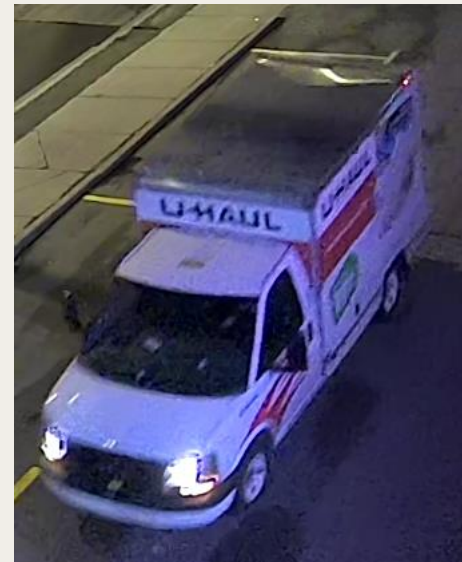
Overview

- What happened
- How it happened
- Available data
- Recommendations

April / May 2023

APRIL						
Su	M	Tu	W	Th	F	Sa
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

MAY						
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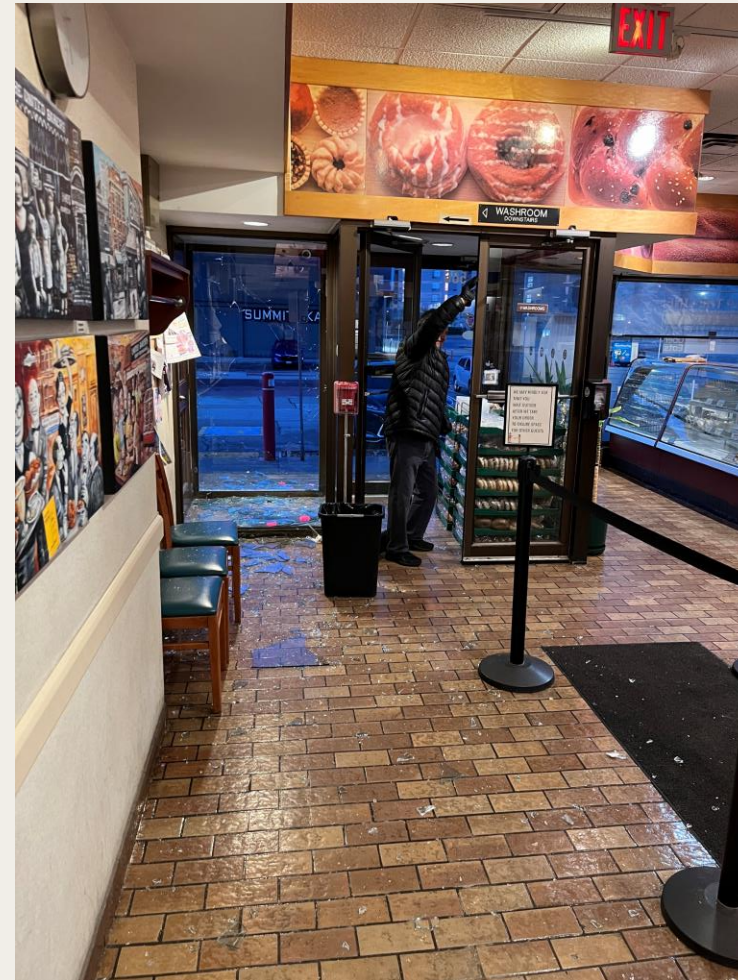


05-08-2023 Mon 04:43:29



Front Entran

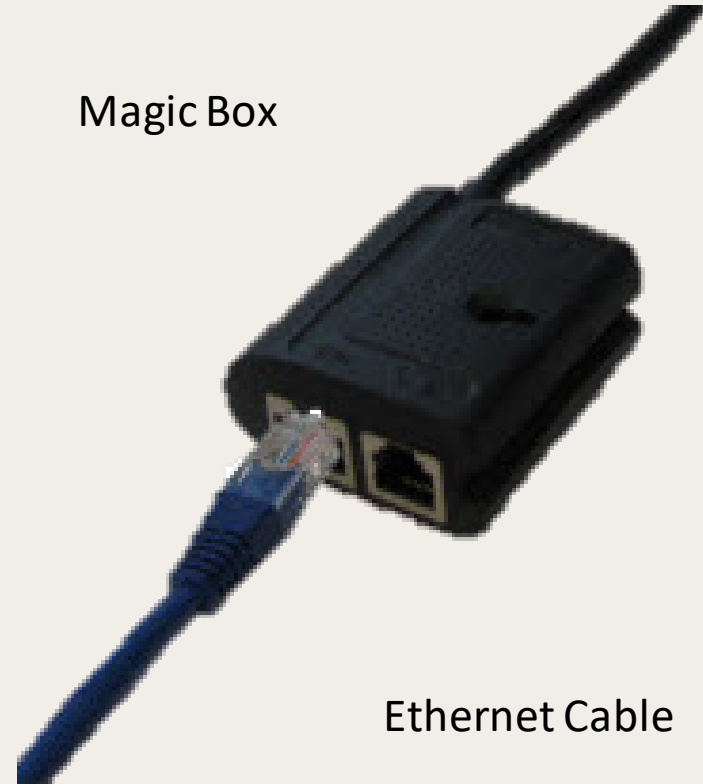
Opening at 5:45 am on May 8th



How Did it Happen



Magic Box



Ethernet Cable

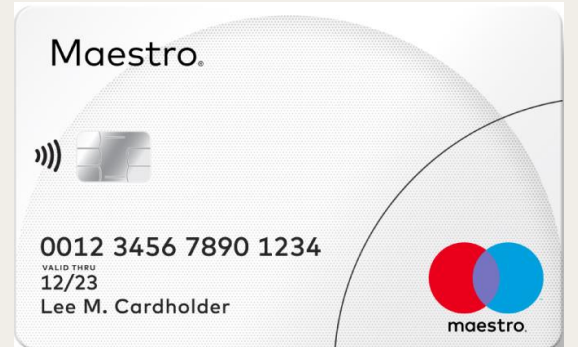


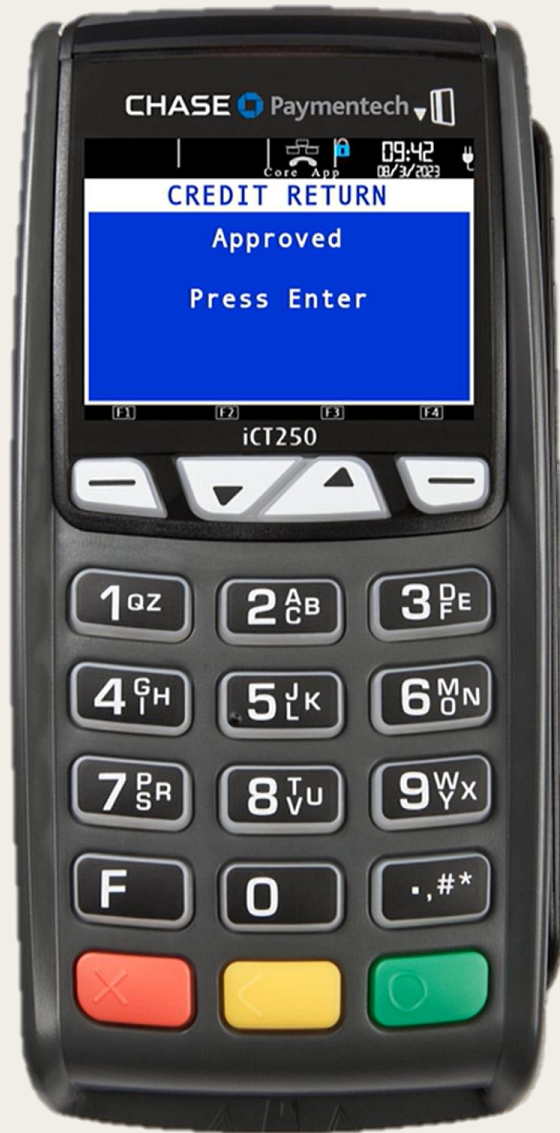












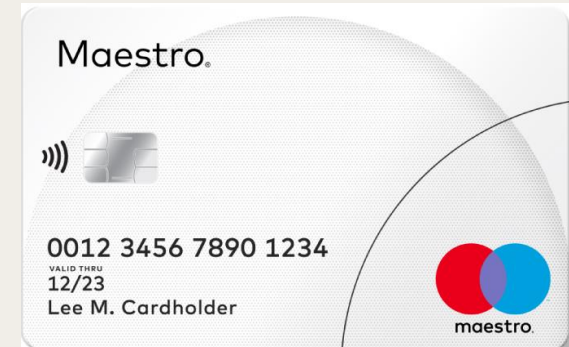
Available Data

The Merchant's Perspective

MERCHANT	MERCHANT	TR DATE	BATCH DATE	CARDHOLDER #	REF	PAID BY	QUAL	TR TYPE	TRANS. REF.	ENTRY	AUTH CODE	REJECT	AMT	ORIG TRANS REF	BATCH ID
UNITED BAI	6516735	2005-08-23	05/08/2023	472409*****6917	4	Chase Paymentech	INTERAC DEBIT	CR	722100133	CHIP	REFUND		-200	1280010003	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	472409*****6917	5	Chase Paymentech	INTERAC DEBIT	CR	722100132	CHIP	REFUND		-200	1280010002	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	472409*****6917	6	Chase Paymentech	INTERAC DEBIT	CR	722100131	CHIP	REFUND		-100	1280010001	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	472409*****6917	12	Chase Paymentech	INTERAC DEBIT	CR	722100145	CHIP	REFUND		-200	1280010015	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	472409*****6917	13	Chase Paymentech	INTERAC DEBIT	CR	722100144	CHIP	REFUND		-200	1280010014	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	472409*****6917	14	Chase Paymentech	INTERAC DEBIT	CR	722100143	CHIP	REFUND		-200	1280010013	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	472409*****6917	15	Chase Paymentech	INTERAC DEBIT	CR	722100142	CHIP	REFUND		-200	1280010012	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	472409*****6917	16	Chase Paymentech	INTERAC DEBIT	CR	722100141	CHIP	REFUND		-200	1280010011	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	551029*****4243	8	Chase Paymentech	INTERAC DEBIT	CR	722100149	CHIP	REFUND		-200	1280010019	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	551029*****4243	9	Chase Paymentech	INTERAC DEBIT	CR	722100148	CHIP	REFUND		-200	1280010018	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	551029*****4243	10	Chase Paymentech	INTERAC DEBIT	CR	722100147	CHIP	REFUND		-200	1280010017	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	453600*****0504	1	Chase Paymentech	INTERAC DEBIT	CR	722100136	CHIP	REFUND		-200	1280010006	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	453600*****0504	2	Chase Paymentech	INTERAC DEBIT	CR	722100135	CHIP	REFUND		-200	1280010005	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	453600*****0504	7	Chase Paymentech	INTERAC DEBIT	CR	722100150	CHIP	REFUND		-200	1280010020	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	453600*****0504	18	Chase Paymentech	INTERAC DEBIT	CR	722100139	CHIP	REFUND		-200	1280010009	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	453600*****0504	19	Chase Paymentech	INTERAC DEBIT	CR	722100137	CHIP	REFUND		-200	1280010007	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	453600*****0504	20	Chase Paymentech	INTERAC DEBIT	CR	722100138	CHIP	REFUND		-200	1280010008	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	500235*****9091	3	Chase Paymentech	INTERAC DEBIT	CR	722100134	CHIP	REFUND		-200	1280010004	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	500235*****9091	11	Chase Paymentech	INTERAC DEBIT	CR	722100146	CHIP	REFUND		-200	1280010016	-791330942
UNITED BAI	6516735	2005-08-23	05/08/2023	500235*****9091	17	Chase Paymentech	INTERAC DEBIT	CR	722100140	CHIP	REFUND		-200	1280010010	-791330942

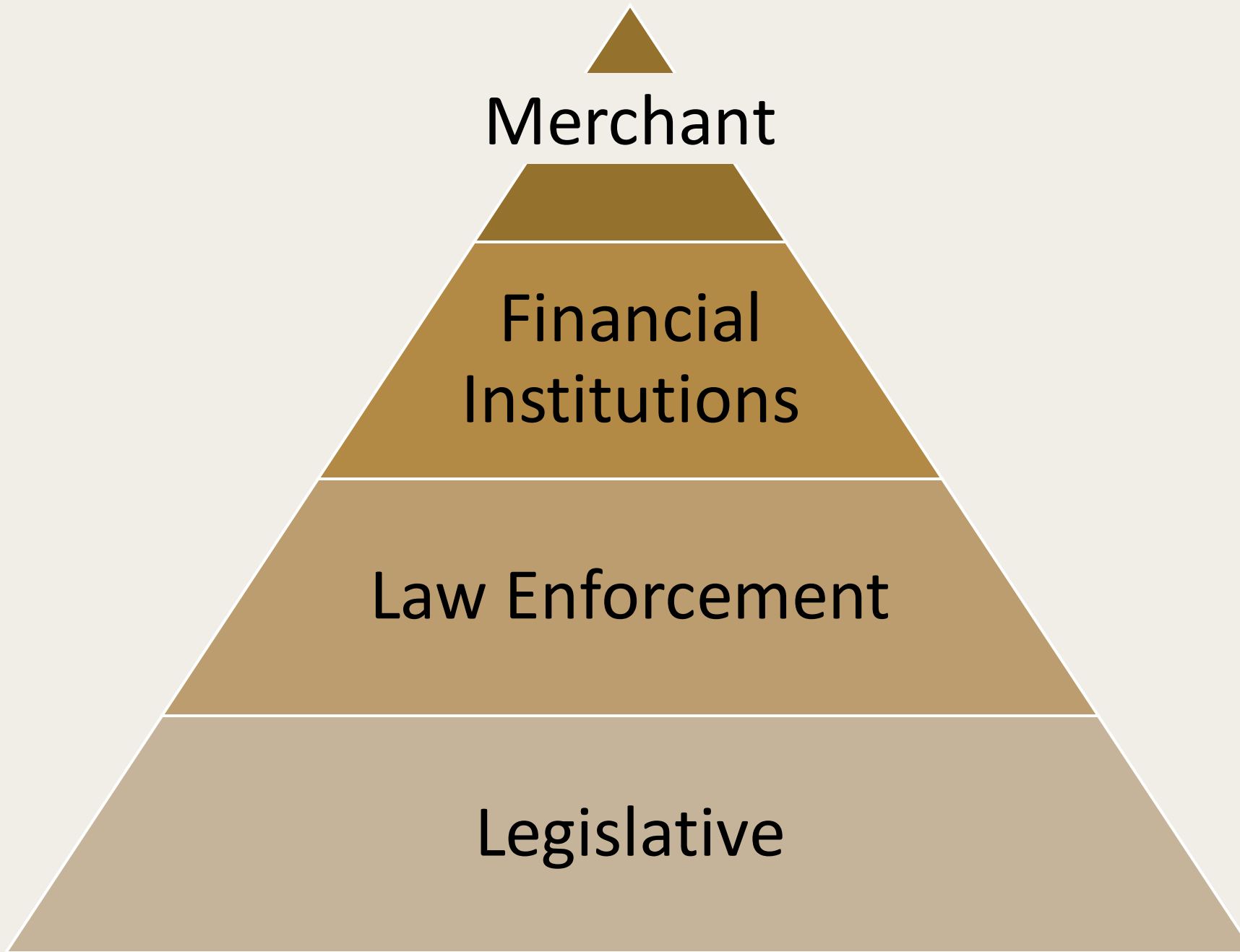
Where Did the Funds Go?

	Cards Used	Amount Stolen
TD Visa Debit	472409*****6917	-\$1,500.00
BMO ABM Card Debit	551029*****4243	-\$600.00
Scotiabank Scotia Card	453600*****0504	-\$1,200.00
Maestro Debit Mastercard?	500235*****9091	-\$600.00
	Total	-\$3,900.00



What Steps Can Be Taken?

A Multi-level Approach to Preventing and Deterring
Credit Card Terminal Theft



Merchant

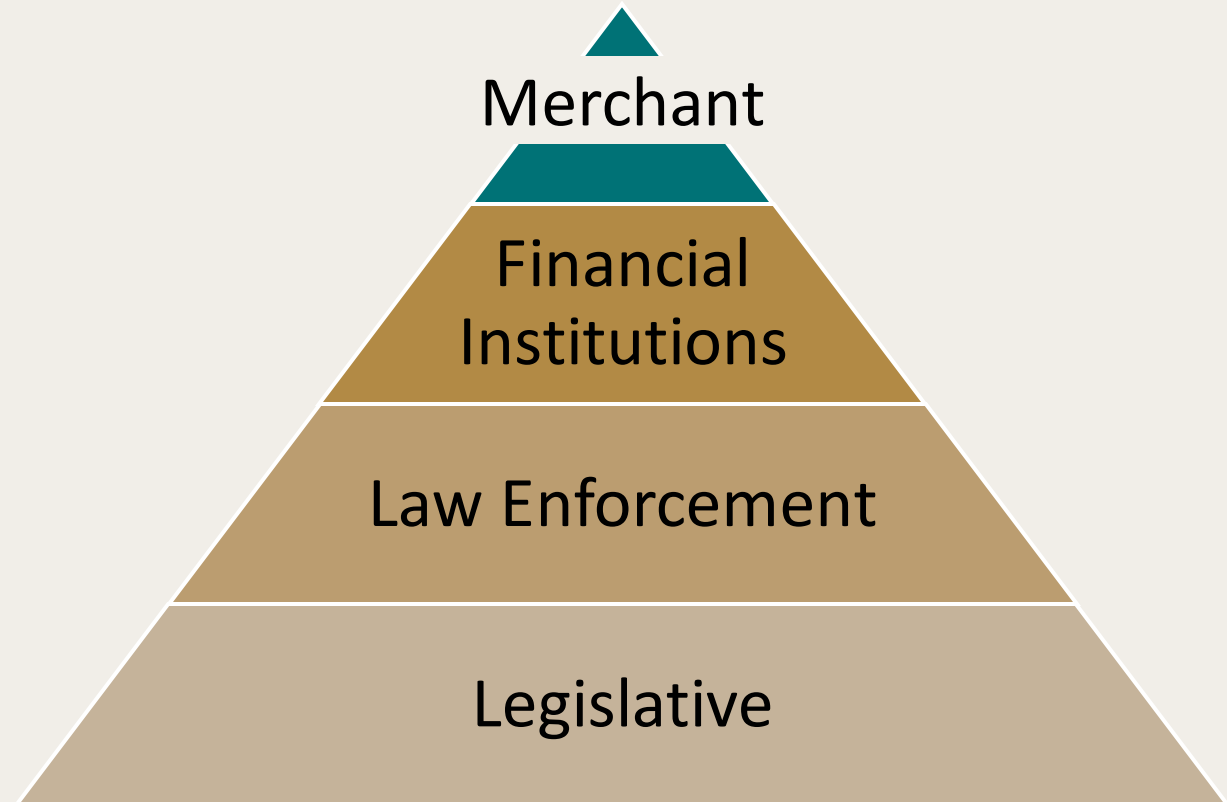
Financial
Institutions

Law Enforcement

Legislative

Merchant Level

- Create **signage, pamphlets** and **infographics** to promote terminal safety best practices
- **Secure** credit card **terminals** at night
- Change the default manager **passcode**
- Train staff to ensure that terminals are not left **unattended**

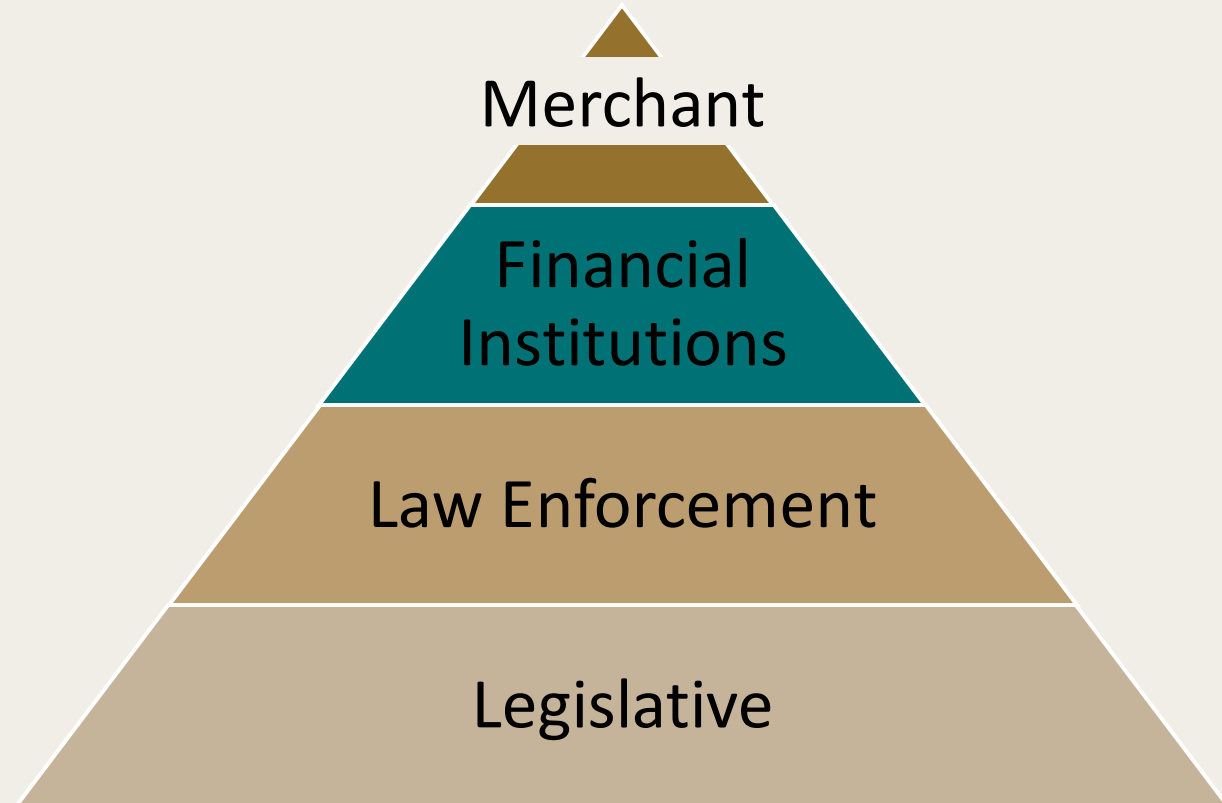


Financial Institutions

- Be required to include instructions on how to **update default passwords** on new terminals dispatched to merchants.
- Develop a **2-factor authentication** program that prevents:
 - Withdraws/refunds over a certain threshold (\$200)
 - Flags repeat transactions

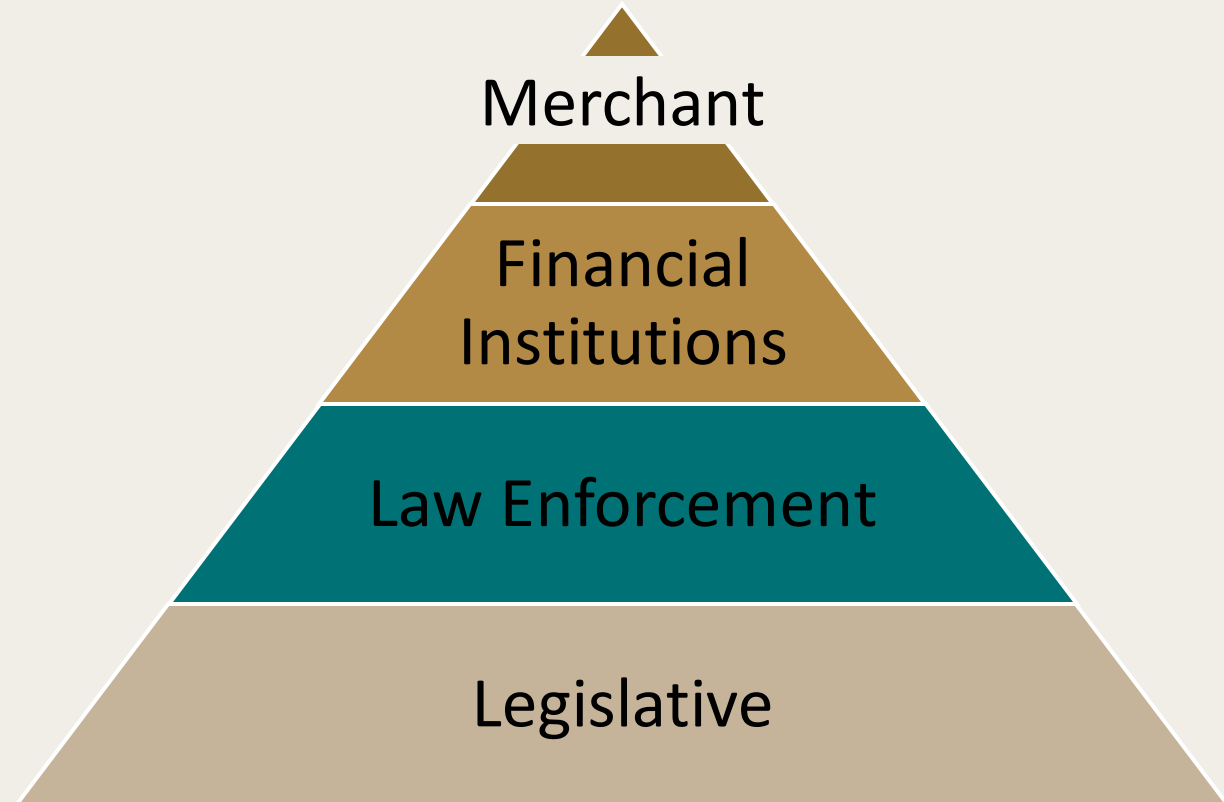
without owner/manager approval via 2nd device.

- Work with FINTRAC to establish an automated **reporting channel** whereby cards implicated in terminal thefts are frozen for 30 days, and have the card info automatically shared with police.
- Implement an automatic **30-day freeze** on cards implicated in terminal thefts.



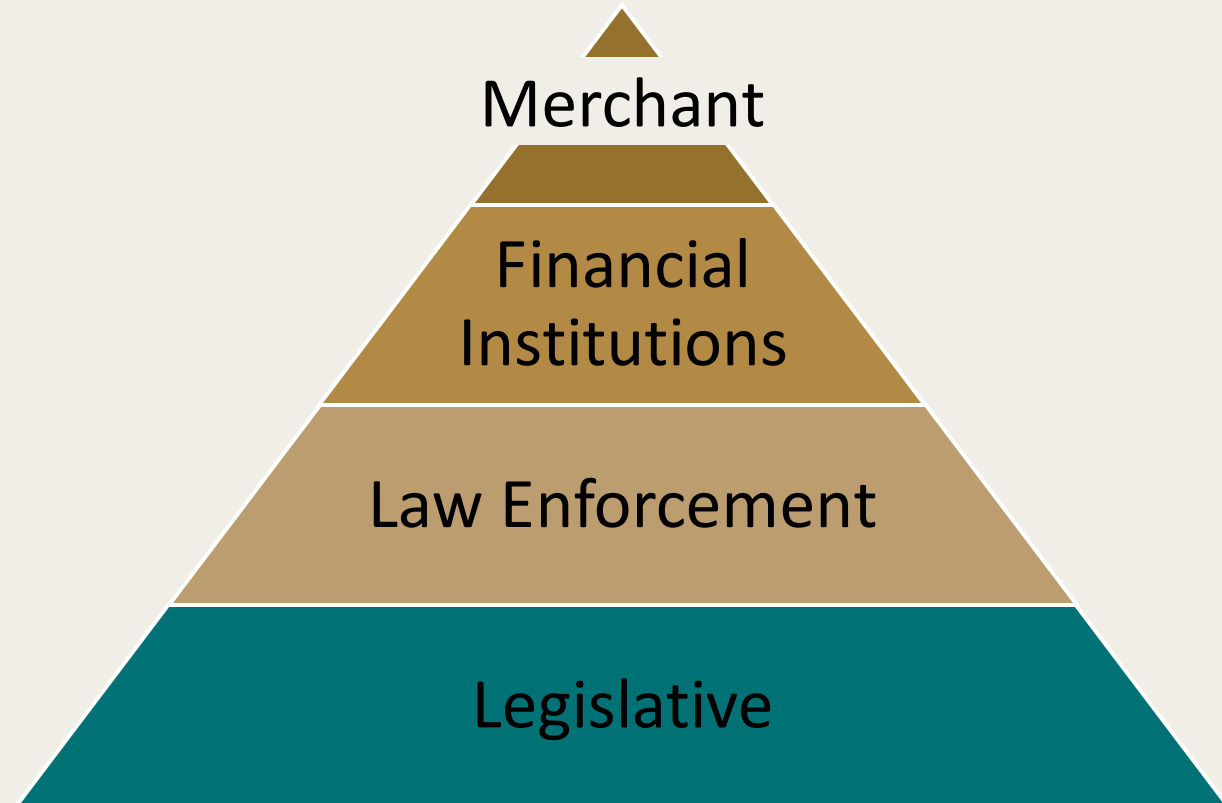
Law Enforcement

- Develop a channel with FINTRAC and financial institutions whereby **cards** implicated in terminal theft are **automatically reported to FINTRAC** & the police, and freeze the cards for 30 days.
- **Streamline warrant application process** to obtain actionable information pertaining to terminal theft (e.g. IP Address location - the location the stolen terminal was physically plugged in, ATM footage of thieves withdrawing funds).



Legislative

- Implement mandatory minimums for credit card terminal theft.
- **Mandate** that financial institutions/payment processors provide **clear and easy-to-understand instructions on updating manager passcodes** and enable 2-factor authentication on new payment terminals for merchants.



Thank You