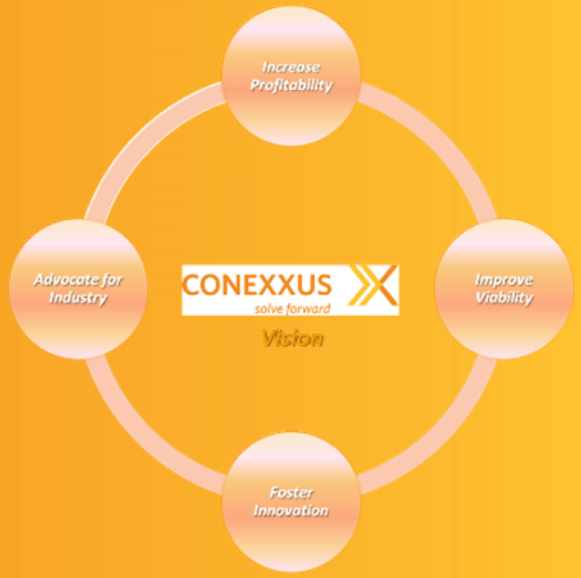
Defending the Island

How to Protect Your Customers (and Your Brand) from Being a Victim of Card Skimming

Webinar: December 15, 2016



NACS

GILBARCO VEEDER-ROOT

Wayne FUELING SYSTEMS

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Welcome – some process rules…

- By attending, you agree to abide by Conexxus' antitrust and intellectual property rules, found at www.Conexxus.org
- Participants will be on mute for the duration, please ask questions by using the gotomeeting "questions" text function in the control panel
- You will receive an email to complete a survey after the presentation. You will be able to access a copy of this presentation after you complete the survey.

Presenters

MODERATOR
Kara Gunderson
POS Manager
CITGO Petroleum Corporation

With a career spanning 16 years in the petroleum payments space, Kara joined CITGO Petroleum Corporation in 2013 as the POS Manager. Prior to CITGO, Kara worked with petroleum merchants at WorldPay US and managed card payments, major oil branded contracts and relationships at Western Refining, formerly known as Giant Industries. Kara's within the petroleum payments space makes Kara an industry leading expert in the field. Kara Chairs the Conexxus Data Security Standards Committee and also Co-Chairs the EMV Migration Forum Petroleum Working Committee.

PANEL EXPERT
Luke Grant
North American Product Manager for Payment Systems
Gilbarco Veeder-Root.

Luke has been a part of Gilbarco's parent company, Danaher, for 7 years in a variety of Operations Management and Marketing roles. He is a former Naval Officer and is a graduate of the Darden School of Business at the University of Virginia.

PANEL EXPERT
Tim Weston
Senior Product Manager, Payment – North America
Wayne Fueling Systems

Tim leads new product initiatives for the company's fuel dispenser payment systems and related credit/debit security solutions. His current focus is on development and commercialization of solutions supporting EMV readiness/deployments in the U.S and Canada. He also participates in numerous industry technology and standards organizations and holds multiple patents and patent pending designs for pay at the pump, encryption, and authentication systems in a service station environment.

PANEL EXPERT
Doug Spencer
Director, Products and Services
NACS

Doug has over 10 years' experience in the convenience & petroleum industry and currently manages NACS' portfolio of 'Solutions', designed to assist NACS members in operating their businesses more profitably.

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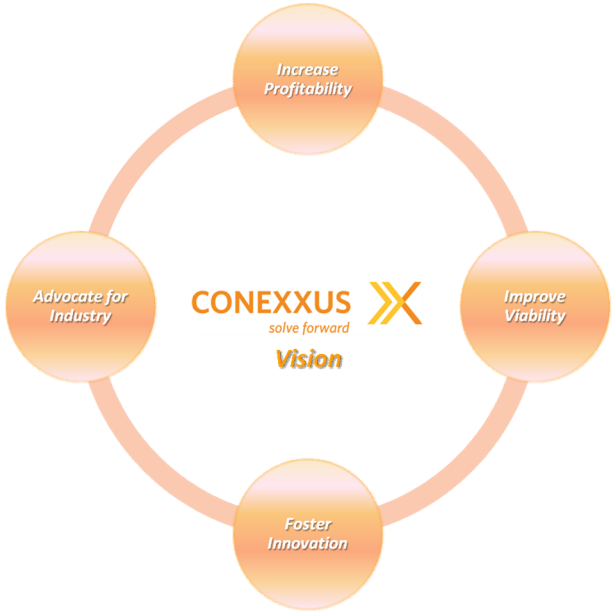
About Conexxus

- We are independent & non-profit…
  - Expert volunteers, shaping the industry
- We set standards…
  - Data exchange, security, payments
- We provide clarity…
  - Emerging tech/trends; identifying & educating
- We advocate for our industry…
  - Open standards, innovation & competition
- We improve profitability



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Skimming is a National Problem

Credit card skimmer found
gas station

A homemade Bluetooth credit card skimmer was found Mon
afternoon at Peto's Travel Center in Roanoke.

According to the Jeff Davis Parish Sheriff's Office, a customer
to pay for fuel at the pump, but the display went blank and
denied the card.

NIGHTLY NEWS
NOV 23 2015, 5:59 PM ET

Use of Credit Card 'Skimmers' at Gas Stations, ATMs Is Exploding

by GABE GUTIERREZ

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Alarming Spike In Credit Card Skimmers Targeting Gas Stations 2:16

Gas pump credit card skimmer discovered in Johnson County

Staff Reports
Published: November 28, 2015, 7:12 pm | Updated: November 28, 2015, 7:13 pm

A credit card scanner was found in this gas pump Wednesday, Nov. 25, 2015. (Provided Photo/Johnson County Sheriff's Office)

JOHNSON COUNTY, Ind. (WISH) — The Johnson County Sheriff's

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YOUR Brand is at Stake…

- Loss of reputation
- Loss of customer confidence
- Diminishment of store image
- Financial losses through theft recovery

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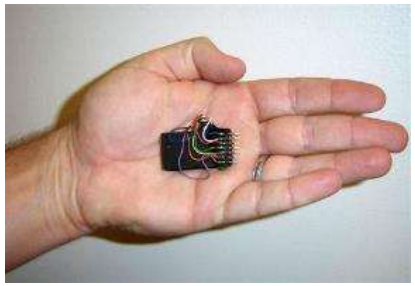
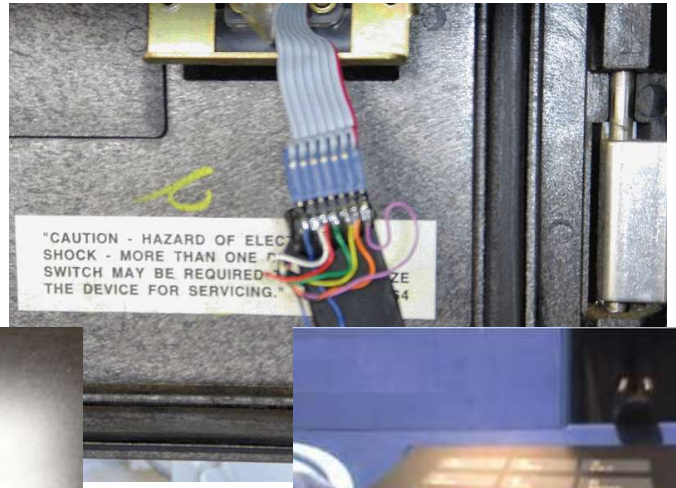
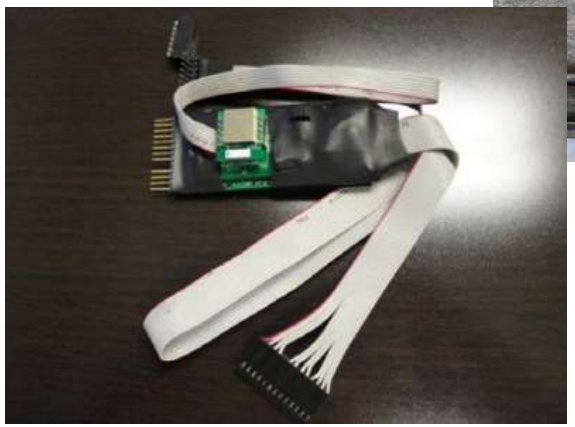
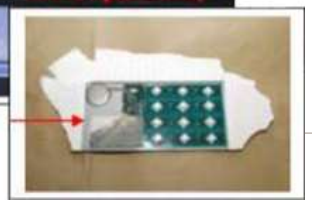
The devices…









Reverse side of PIN pad overlay

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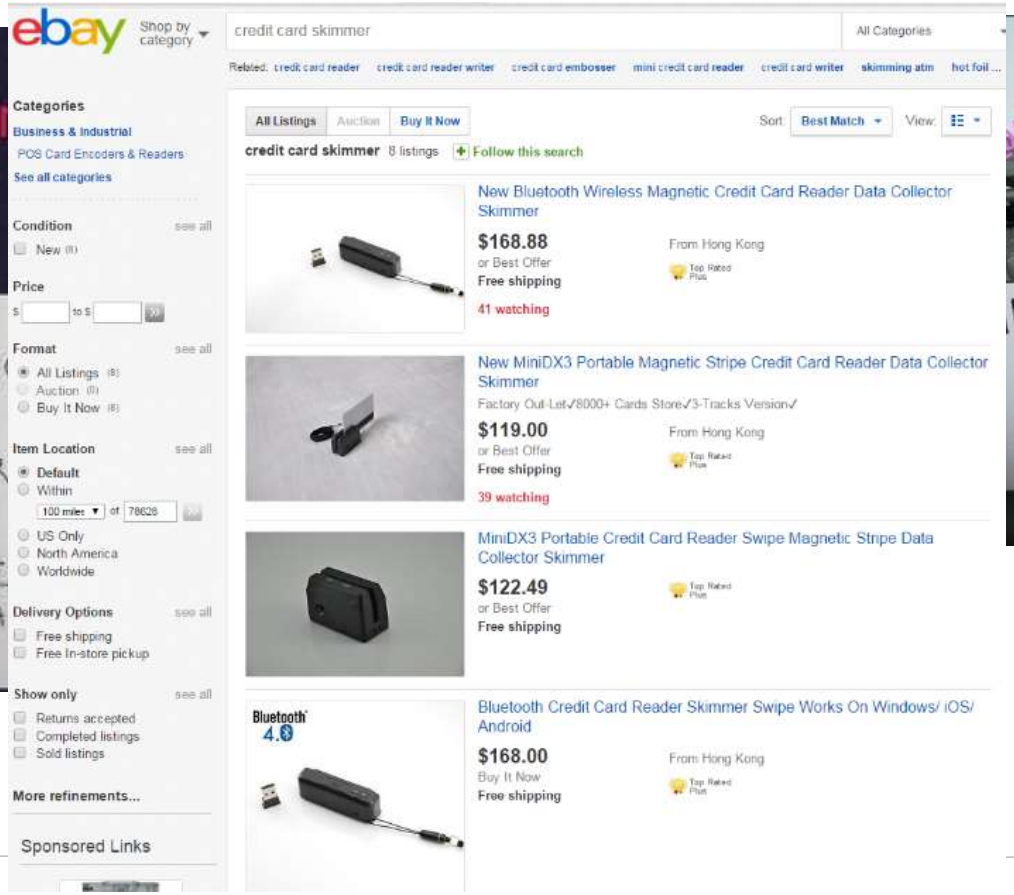
Easy to get…



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Defending the Fuel Island

LOW COST PRACTICES

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Train your sales associates…

- Make security POLICY
  - part of everyone's job security
  - Be wary of "inside" cooperation
- Watch for high levels of
  - bad card reads
  - dispenser "offline" messages
- Be suspicious of
  - vehicles parked at island for extended p
  - "technicians" performing unscheduled "work"

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Train store personnel…

- Inspect dispensers daily for:
  - Signs of forced entry to dispenser
  - Abnormal “look” to a payment terminal
  - Reader not flush with door panel
  - PIN pad not flush with door panel
- Maintain line of sight with island
- Inspect all islands if incidents occur at other local stores
  - thieves travel in packs!

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Partner with your service provider

- Establish a routine, detailed inspection of all payment terminals
  - Skimmers are unique, only trained technicians can truly identify them
- Enable store personnel to request site inspections
- Establish equipment “baseline” with provider
  - Investigate upgrades for better security

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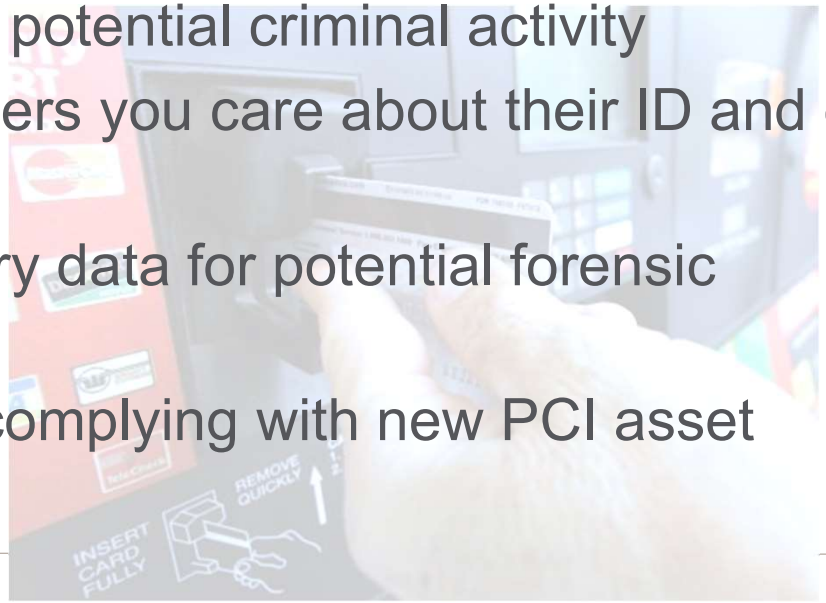
WeCare Tamper-Evident Decals

- Know who has been in your pumps, when and why
  - Log tags by pump position, justify each change & date
- Visually ‘influence’ potential criminal activity
- Show your customers you care about their ID and data security
- Maintain evidentiary data for potential forensic purposes
- Provides method complying with new PCI asset tracking rules



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"We Care about your ID"

Tamper-Evident Security Labels

$69 per roll – 500 count

3.5" x 1"

Barcode and Serial Numbering

www.nacsonline.com/wecare

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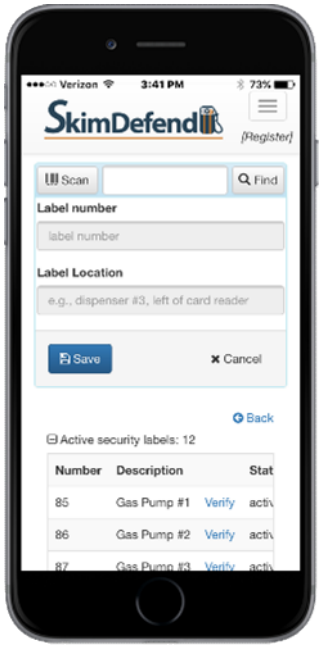
Announcing the newest addition to the NACS/Conexxus WeCare Data Security Program

A mobile app to enhance dispenser security and combat skimming

SkimDefend

- Powered by Pinnacle Corporation
- To be used in conjunction with (but not limited to) NACS WeCare Tamper-Evident Decals
- **FREE*** download from AppStore and GooglePlay
- Range of capabilities:
  - Scan and log unique decal characteristics
  - Locally store the site, time, pump number and decal information
  - Digitally track any/all CRIND intrusions
  - Combat skimming efforts
  - Maintain forensic evidence
  - Help comply with PCI 3.1 guidelines



*for a limited time

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INVESTING IN YOUR SECURITY

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Consider more secure strategies

- Change locks to “site-unique” keysets
- Dispenser access alarms (local and centrally monitored offerings)
- Install prominent video surveillance system; run it even if store is closed
- Improve lighting on forecourt

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Upgrade payment terminals

- Hybrid or Secure Card Readers
  - Eliminate internal skimming through encryption within the card reader
  - Potential for PCI scope reduction EMV
  - More secure, full-travel keypads
  - Tamper resistant/evident housing
  - EMV will not eliminate mag-stripe skimming, but will reduce the value of skimmed data for making counterfeit cards

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Defending the Island Summary

- **DETECT**
  - Note all systems errors and abnormal island activity
- **INSPECT**
  - Daily inspection of tags, abnormalities, entry
- **PROTECT**
  - Upgrade systems for detection and encryption
- **REPORT**
  - When in doubt, have a tech check it out!

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So you found a skimmer…

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In disaster management…

The right way

- Cooperation with authorities
- Open communication
- Ready to admit fault
- Furtive actions to cure
- Genuine concern for those affected

The wrong way

- Refusing to work with authorities
- Hiding in your office
- Claiming victimhood
- No apparent changes
- Minimizing damage caused to others

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Immediate actions…

1. Disable/bag both sides of the pump
   - » Make sure customers do not attempt sales
   - » DO NOT tamper with dispenser!
2. Contact local law enforcement
   - » Request investigation, let them remove skimmer
   - » Provide copy of inspection logs (ahem…)
   - » Request copy of police report, ensure it is correct, correct it if not
3. If law enforcement cannot remove that day
   - » Remove device, using plastic bag or gloves
   - » Minimize touching internal pump surfaces – preserve fingerprints
   - » Retain device for law investigation
4. Contact your supplier, brand and/or franchise

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Dealing with the aftermath - Customers

1. Empathize
   - This MAY be devastating to their ability to pay bil
   - Assure them you are cooperating with authorities
2. Inform
   - Provide a brief synopsis of events
   - Detail steps you took to prevent
3. Assure
   - Have a demonstrable plan that outlines steps being taken to prevent future incidences

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Dealing with the aftermath - Staff

- Inform them of issue, stick to facts
  - They will be dealing with customer backlash
- Have them refer all inquiries to designated person
  - Provide short “script” of what to tell customers
  - Less is more…
- Recognize staff that found device
  - reinforce value of staff vigilance

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Dealing with the aftermath - Press

- Don't…
  - Hide from inquiries or interviews
  - Come off as a "victim" (even though you are)
  - Be affiliative, and not defensive or angry
- Do…
  - Express genuine concern for customers
  - Explain your preventative policies & actions
  - Explain you are working with all authorities

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Keep up with developments…

www.Conexxus.org

Conexxus Tech Blog: https://www.linkedin.com/groups/1631829

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