

What Financial Institutions Need to Know about Their Windows 10 Migration Options for their ATMs

Uncertain timelines and budgetary costs are just a few of the challenges financial institutions face as they migrate their ATMs to Windows 10. In this new white paper, sponsored by Star Financial Services, banks and credit unions will learn the latest information available about Windows 10 and explore the options available including purchasing new machines, upgrading existing hardware and outsourcing their ATMs.

On January 14, 2020, Microsoft will cease support for Windows 7 for ATMs. Currently, the company's support covers technical issues, security updates, and application patches. All of these critical services are scheduled to halt on January 14th.

As with prior Windows' migrations, the latest operating system (OS) has been running successfully in the consumer market and on businesses' computers for a number of years. The proliferation of its primary consumer market is now such that the company intends to phase out the old software in favor of improving and building on the current and next iterations for ATMs.

Of course, Windows 7 will still function on ATMs. However, financial institutions (FIs) attempting to continue on the older platform will be increasing security and functionality risks, with the additional possibility of losing their PCI compliance. As with prior migration schedules, Microsoft has announced a temporary support option for Windows 7, but details of the cost and duration of this extended plan have yet to be announced.

In addition to the uncertainty regarding stop-gap Windows 7 support, Windows 10 has not yet been certified and tested by all processors. Based on what happened when ATMs were migrated to Windows 7, banks and credit unions may also be faced with a year or more of updates as bugs in the new OS are worked out.

If all of this sounds familiar, it should. Banks and credit unions have been plagued with an increasing number of compliance mandates and upgrades in recent years including ADA, EMV and PCI, and it was not long ago that ATM owners were forced to migrate their machines to Windows 7. Microsoft has promised a host of new features with the Windows 10 roll out. But with those promises come the knowledge that an end date for Windows 10 has already been set. The new system will become obsolete in 2026 – just seven short years before the process of migrating to a new OS begins.



Why Windows 10? New Features & Better Security

Windows XP and Windows 7 are two of the most common OS running on ATMs today. XP, the most recent OS to experience an end of support deadline, offered the ability to take deposits and display additional language options. Windows 7, the upgrade recommendation for XP, provides these same features with an additional dose of security. Now, with the introduction of Windows 10 and a robust 64-bit architecture comes even more functionality and improved security.

Advanced Features

Some of the anticipated features for Windows 10 include improved customer interfaces. Contactless smartphone or card access and the ability to push targeted marketing messages are only a few examples of what may be possible with the new system. These, and other options, could significantly expand ATM capabilities and help financial institutions deliver a new dimension of interactivity to ATM users.

However, those value-added consumer features arrive with a price that can be calculated in planning and implementation costs, not to mention hardware costs as many terminals are not powerful enough to run Windows 10. To take full advantage of these new features, some ATMs will need to be replaced and many will need a new core and, of course, will require coordinated expertise that will only increase as new options and features arrive on the market.

Improved Security

Windows 10 arrives at a time when its improved security features are most needed. With targeted ATM attacks on the rise, the enhanced security that accompanies Windows 10 may prove among its strongest features.

The system's integrated security component, known as Device Guard, is aimed at protecting against malware by locking out malicious code. Running as a separate, mini-OS next to Windows 10, Device Guard is responsible for allowing and denying code. Parameters for the Device Guard system are handled through central administration and code signing processes. Additional security innovations include hard disk tampering detection and Microsoft Advanced Threat Analytics.

An Uncertain Timeline & Costs

The circumstances surrounding the new software release has created an environment of uncertainty among banks and credit unions. As the end of support date approaches for Windows 7, many FIs have found themselves caught in the worrisome position of planning for the new OS with no firm dates available for processing certification or guidance on hardware requirements and delivery dates for new hardware 90-120 days or more out. The result could be a scheduling and budgetary nightmare.

Under the best of circumstances, migration to a new OS normally takes a year or more. But Windows 10 has arrived under less than ideal circumstances. With the release date and termination of Windows 7 support rapidly converging and the cost of extended support for Windows 7 not yet announced, FIs must re-calibrate their migration strategy, budgets and timetables. This situation could also force some FIs into an accelerated schedule that opens the door to unforeseen problems and limited resources to deal with those problems in a timely manner. Not to mention a year or more of updates being pushed out as all the bugs are worked out of the new OS as we saw with the migration from Windows XP to 7.



The Risk of Not Migrating

Delaying migration to the new system is ill-advised. As criminal enterprises continue to increase the number of threats facing the ATM space, they are increasingly targeting older, more vulnerable systems. This is particularly true for ATMs running Windows 7, which will soon lack the release of necessary security patches to counter more sophisticated attacks. Criminal organizations, which are mounting increasingly sophisticated attacks, are no doubt aware of potential vulnerabilities of these systems.

Financial Institutions Have Options

While the future of the Windows 10 migration seems daunting, there are several options for banks and credit unions looking to create a more seamless upgrade path.

Purchase New Machines: The latest machines on the market are being shipped with the latest and most powerful cores. While they are currently still loaded with the Windows 7 OS, many are also being shipped with codes that will allow an upgrade to Windows 10 once it is released at no extra charge. However, FIs need to keep in mind that manufacturers are backed up with new orders and estimated delivery dates are 90-120 days or more.

Replace the ATM Core: Official specifications for hardware requirements have not been released. But industry experts anticipate 64-bit, a minimum 4GB of memory and anything better than an Intel 4th generation or I5 should suffice to run the new OS. Fortunately, the latest ATM cores provide these features. As such, it is possible for FIs to compare the current cores in their fleet to the latest available and upgrade older units as needed with either new machines or new cores, dependent on compatibility.

Outsourcing the ATM Fleet: Purchasing new machines and upgrading cores is only one step in the ongoing ATM upgrade and compliance game. Microsoft has already set another OS migration for 2026. And, security concerns are almost certain to push more PCI DSS updates in the near future. For some FIs, this most recent migration only highlights the uncertainty in costs and burden of running their own ATMs. For these banks and credit unions a complete outsourcing solution may be the best option moving forward.



How ATM Outsourcing Can Benefit Financial Institutions

With an ATM outsourcing plan in place, reputable operators of ATM outsourcing programs typically offer a variety of customizable options for every FI partner including, but not limited to:

- Predictable monthly or annual costs
- Daily operations
- Cash management
- Regularly scheduled service
- 1st & 2nd line maintenance
- Reporting

Perhaps most important for those frustrated by the change to Windows 10 is a compliance guarantee. Many outsourcing agents will include an agreement in their contracts transferring all responsibility for the upgrades, migration and security requirements away from the financial institution. And, in some cases the financial institution can remove the ATMs from their books by selling them to the outsourcing company.

There is no stopping the end of support for Windows 7. However, despite the uncertainty of costs, release dates and scheduling, banks and credit unions have options. Whether choosing to upgrade machines, swap out cores or work with an ATM outsourcing expert to alleviate the headaches, the time to act is now.

Contact Star Financial for your ATM Outsourcing needs.

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