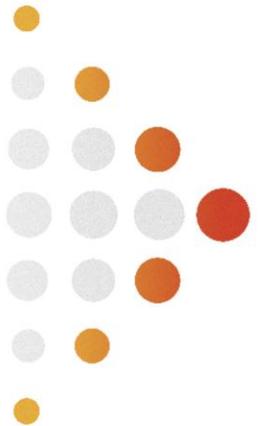


ADVANCING SECURITY WITH RISK AND BUSINESS ANALYTICS

ADVANCING COMMERCE™



Risk Protection

The MasterCard Global Risk Management Program applies to all issuers, acquirers, and non-customers (service providers and payment facilitators). The program is a tool for assessing a customer's current capability to manage, anticipate, and protect against inherent internal and external risks in the issuing and acquiring portfolio. The program also determines the effectiveness of existing fraud loss controls and other risk reduction measures, and assists customers in identifying specific areas where such measures may be inadequate.

In addition, the program provides industry best practices to support business growth by enhancing the overall operational efficiency and profitability of the issuing and acquiring portfolio while maintaining losses at an acceptable level.

Fraud Recovery/Chargeback Review Process

Upon confirmation of the review, MasterCard conducts a comprehensive analysis of the customer's fraud recovery and chargeback performance benchmarked against country and regional peers. A two-day onsite review is conducted by MasterCard staff in collaboration with the customer and involves employee meetings and a walkthrough of the customer's procedures and daily activities. Upon completion of the onsite review, key findings are shared prior to the formal submission of the report within the month. The report contains key findings, recommendations, and a project plan to track the implementation of recommendations.

Fraud Recovery/Chargeback Review Topics

- Fraud dispute customer claim initiation by channel and process
- Cardholder recognition methodologies, including the "talk off" process and merchant identifier options
- Management of cardholder expectations in the fraud dispute experiences
- Customer follow-up strategies and communication flows
- Maximization of fraud recoveries, including non-cardholder-initiated chargebacks
- Fraud recovery operational efficiencies
- Fraud chargeback, recovery financial reimbursement, and reconciliation processes before and after chargeback, second presentment, and arbitration, including pended funds
- Fraud chargeback case management processes and workflows
- Fraud chargeback reason code decisioning
- System to Avoid Fraud Effectively (SAFE) reporting activities and validation for fraud chargebacks
- Fraud chargeback documentation/declaration management and process flows, including MasterCom
- Fraud chargeback recovery processing technology and workflow strategies
- Fraud chargeback recovery third-party processor activities
- Capture and leveraging of fraud chargeback management information data and reporting
- Fraud chargeback change management processes
- Fraud chargeback education



For more information related to the Global Risk Management Program, please contact us at GRMP@mastercard.com.

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