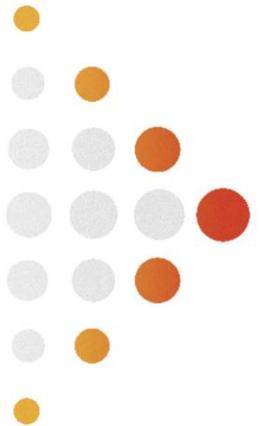


ADVANCING SECURITY WITH RISK AND BUSINESS ANALYTICS

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.

Payment Facilitator Review Process

The Third-Party Risk Review is an annual review conducted for selected service providers and payment facilitators, at the sole discretion of MasterCard Global Risk Management Program staff. MasterCard examines the service provider's or payment facilitator's ability to support MasterCard customers so that they can adhere to the minimum MasterCard fraud loss control program requirements and compliance standards. A service provider or payment facilitator that fails a review may be subject to deregistration.

MasterCard staff contacts the payment facilitator and forwards a questionnaire to be completed by the third party. Upon completion and review of the questionnaire, a two-day onsite review is arranged with MasterCard. The onsite review is conducted in collaboration with the service provider or payment facilitator and involves a walkthrough of the third parties' procedures and daily activities. Upon MasterCard staff's completion of the onsite review, key findings are shared with the third party 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.

Payment Facilitator Review Topics

A Payment Facilitator Review will cover the following topics, where applicable:

- Organizational structure
- PCI compliance
- Minimum monitoring requirements
- Sub merchant screening
- Match inquiries
- Sub merchant agreements
- Submission of valid transactions
- Sub merchant compliance with standards
- Payment to sub merchants
- Business Risk Assessment and Mitigation (BRAM)
- High risk payment facilitators
- Merchant data in transaction message
- Excessive chargeback program
- Global merchant audit program
- Site Data Protection (SDP) PCIPED
- Third-party compliance
- Account Data Compromise (ADC)
- AML requirements
- MPOS
- MasterCard Connect™ for service providers
- MasterCard best practice for service providers
- Prepayment risk management
- Financial risk management
- Fraud detection performance and effectiveness
- Management information systems analysis and methodology



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