

# Advancing a Healthy Payments Ecosystem



## Brand Protection

The Mastercard Franchise Management Program applies to all issuers, acquirers, and non-customers (service providers and payment facilitators). The program is dedicated to supporting healthy customer and service provider growth. The program works with customers and service providers to ensure that they understand and operate within franchise architecture and standards to minimize operational, financial, reputational and compliance risk.

In addition, the Franchise Management 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.

## Customer Onboarding Review Process

The Customer Onboarding Review is mandatory for any entity applying to become a Mastercard principal customer or a Mastercard affiliate customer. This review takes place during the initial licensing and certification stage and requires the entity to complete one or both of the following questionnaires:

■ **Issuer Questionnaire**

■ **Acquirer Questionnaire**

If an entity that has applied to become a principal customer is not in compliance with Mastercard fraud loss control standards and the minimum requirements of Mastercard fraud loss control programs, Mastercard may withhold approval of the application until the entity achieves compliance.



## Issuer Onboarding Review Topics

An issuer review will cover the following topics, where applicable:

- Account Data Compromise (ADC) Event or Potential ADC Event identification and analysis
- Authorization function, process, and performance
- Card acquisition channels
- Card application process, including application fraud
- Cardholder communication strategy
- Chargebacks and recoveries
- Credit scoring and bureau information
- Cybersecurity
- Data security/PCIDSS
- Description of customer implementation strategy with regard to EMV chip/PIN, Mastercard® SecureCode™, and Mastercard® MasterPass™ technologies
- Direct sales agency
- Fraud detection performance and effectiveness
- Fraud and Loss Database
- Fraud loss control programs
- Information security
- Licensing and Registration
- Management information systems analysis and methodology
- Operational statistics
- Organizational structure
- Third-party onboarding
- Third-party risk management
- Transaction verification strategy
- Use of Mastercard Connect™



## Acquirer Onboarding Review Topics

An acquirer review will cover the following topics, where applicable:

- Acquirer compliance programs
- ADC Event or Potential ADC Event identification and analysis
- Authorization function and process
- Credit bureau information
- Data security/PCIDSS
- Description of customer implementation strategy with regard to EMV chip/PIN, Mastercard SecureCode, and Mastercard MasterPass technologies
- Direct sales agency
- E-commerce and Internet site data integrity
- Fraud detection performance and effectiveness
- Fraud loss control programs and merchant monitoring
- Licensing and Registration
- Management information systems analysis and methodology
- Member Alert to Control High-Risk (merchants) (MATCH™)
- Merchant acquisition channels (retail and e-commerce)
- Merchant agreements
- Merchant application process, including application fraud
- Merchant site inspections (retail and e-commerce)
- Merchant support and services
- Operational statistics
- Organizational structure
- Point-of-sale (POS) terminal capability
- Transaction verification strategy
- Use of Mastercard Connect™
- Use of website monitoring solution to avoid potential illegal or brand-damaging violations

### Mastercard reserves the right to require an onsite Customer Franchise Review if:

- Franchise Management Program staff is dissatisfied with the response to a customer onboarding questionnaire (in terms of speed, content, or both), or
- Franchise Management Program staff determines that the customer represents a potential unacceptable risk, or potential threat to other customers



For more information on the Franchise Management Program, please contact us at [FMP@mastercard.com](mailto:FMP@mastercard.com)