MasterCard is uniquely positioned to help you optimize processing to boost net income with the…

1. **Innovative network…to grow your business.**
   MasterCard pioneers **cutting-edge payment solutions** borne of evolving technology and consumer preferences. Our unmatched flexibility enables customers to plug into customizable payment solutions that help to grow their business quickly and efficiently.

2. **Integrated network…to unify your business.**
   Only MasterCard provides a **consistent global footprint** to consolidate processing across any market, product, or platform. Our unrivaled integration helps customers streamline redundant processing costs, expand efficiently in new markets and differentiate payment programs with an end-to-end view of cardholder spending.

3. **Fastest network…to accelerate your business.**
   MasterCard processes transactions **faster than any other network**. Our unparalleled speed helps customers meet the demands of quick service payment environments by improving the cardholder throughput and experience.

4. **Trusted reliable network…to protect your business.**
   Only MasterCard provides **triple-layer protection enabling us to deliver more transactions**. Our unsurpassed reliability helps customers protect over $55M USD in GDV each year and preserve cardholder satisfaction by saving millions of transactions that would have been declined on other networks.

**Because All Networks Are Not Created Equal.**
*MasterCard…The trusted leader in innovation, integration, speed and reliability*
Advantages to Customers

**Multinational Issuers**
Grow business more quickly and efficiently across products, markets and segments with innovative value-added payment solutions.

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**How MasterCard Does It**

MasterCard’s **unique network** is wired for flexible, agile payment innovation—seamlessly blending both distributed and centralized processing to help multinational issuers deliver best-in-class value-added payment solutions that meet their domestic and global needs.

1. **A distributed network** of more than a thousand locally placed MasterCard Interface Processors (MIPs)/Intelligent Edge Processors provides the **processing flexibility** needed to automate the custom back-office requirements of domestic markets. Only MasterCard can **change parameters “on the fly”** eliminating significant development cost and time to market when accommodating domestic needs, such as languages, currencies, calendars, and time zones.

2. **A centralized network** with a single, global platform of **modular technologies** that are reusable across business lines provides the **speed and scale in product development** to customize and deploy innovative payment solutions for unique operating requirements, cardholder preferences and risk profiles.

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**How We Can Prove It**

1. FIIs in Brazil (Redecard), Japan, Sweden, and the UK (Switch) quickly and cost-effectively customized financial interchange and settlement processing agreements to local market demands using MasterCard’s unique value-added Business Services and Settlement Services.

2. FIIs around the world plug into MasterCard’s **one-of-a-kind market ready payment solutions**, such as Expert Monitoring Solutions, MoneySend, Mobile Payments Gateway Solution and inControl, to differentiate payment programs while reducing their development investment, risk and time to market.

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**What Competitors Lack**

**Visa**
Maintains a centralized network not adept at customized processing for local markets. Visa’s core processing platforms require underlying application code changes vs. parameter-driven customization, thus requiring greater development cost and time to market for customized services. While Visa offers quality value-added payment solutions, their products may not always offer the same value as ours (Advanced Auth to Expert Monitoring Solutions) or they may not always have a competitive offering (e.g., inControl).

**Domestic Processors**
Do not offer flexible back-office service configurations for financial interchange and settlement arrangements between FIIs and merchants. Provide a broad range of typically lower quality
Advantages to Customers

Multinational Issuers
Streamline redundant global processing costs, expand efficiently into new markets and differentiate payment programs with an end-to-end view of cardholder spending.

How MasterCard Does It
There is only one globally integrated network—ours. As a result of doing business across markets, products, and platforms, issues can materialize that MasterCard is better equipped to address. MasterCard can provide:

1. A consistent processing interface in every market (message formats, network protocols) to consolidate processing interoperability and ensure more efficient expansion into new markets by streamlining redundant platform development and maintenance costs. MasterCard’s foresight to integrate our multiple authorization platforms helps multinational issuers better control their costs.

2. A comprehensive view of payments produces clear insights, and provides the entire story on cardholder spending that can be used to more precisely tailor marketing and cross-border fraud management solutions.

How We Can Prove It

1. Citi significantly reduced redundant operational costs by consolidating all Latin American processing through MasterCard. Other large FIs have also consolidated their global operations centers through MasterCard.

2. MasterCard Information Analytics services (such as PortfolioAnalytics, SpendingPulse and Propensity Models) and value-added services such as inControl and Expert Monitoring Fraud Scoring, are more effective than competitive solutions because they’re developed using a unique global view of transaction data. MasterCard is recognized for industry-leading, patented data management through its Data Warehouse.

What Competitors Lack

Visa
Has three global processing platforms, requiring customers to maintain multiple processing interfaces and making Visa unable to provide global insight into consumer behavior, spending propensity, and fraud data. Visa has stated that Europe requires a European-specific solution. They are willing to give up global focus in order to better align with regional demands.

Domestic Processors
Treat multinational issuers like small local banks, forcing them to incur redundant processing costs and higher internal support costs by using multiple processing platforms and formats for cross-border and domestic transactions. They are typically limited to a single country and are not designed to provide a globally comprehensive view of consumer spending that help FIs differentiate in and across markets.
Advantages to Customers

**Multinational Issuers**
Improve transaction throughput, revenues and cardholder satisfaction in high-volume, quick service payment environments (e.g., fast food, transit, tollway, etc.).

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**How MasterCard Does It**

MasterCard’s blended architecture enables transactions to be processed at a speed **twice as fast as the fastest competitor**. Our MasterCard Interface Processors (MIPs) are intelligent—enabling FIs to process transactions in fewer transmissions, closer to where they occur in 2 transmissions (distributed) or via central site in 3 transmissions. Competitors only have central site processing which always requires 4 transmissions.

**How We Can Prove It**

The Metropolitan Transportation Authority (MTA) had a pilot requirement of a total transaction speed of 250 milliseconds, including terminal processing and telecommunications. The speed of our network allowed us to meet MTA’s pilot requirements and **win business over competitors like Visa**. MasterCard has IP on our MIP infrastructure that can respond to quick service payments **faster than any other payment network in the world**.

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**What Competitors Lack**

**Visa**
Maintains a centralized network, which slows their authorization speed. While Visa contends their network is faster, MasterCard has conducted a proprietary study which proves that, on average, Visa processes 1.7 times slower than MasterCard (*based on comparisons of Visa and MasterCard network response times for Visa-branded transactions acquired and routed to Visa through the MasterCard Visa Gateway)*.

**Domestic Processors**
Maintain a centralized network, which slows their authorization speed.
Trusted reliable network… to protect your business.

Advantages to Customers

Multinational Issuers
Protect revenues and cardholder satisfaction.

How MasterCard Does It

Our extremely reliable network provides fail-safe, “tri-dundant” processing, or multiple routing paths, for **triple-layer protection** against processing failure at all three points of vulnerability in payment processing (network, issuer, acquirer). With this level of redundancy, FIs can trust the MasterCard network to **deliver more transactions**.

1. **The distributed MasterCard network** limits the potential for widespread failure by localizing issues at the MasterCard Interface Processor (MIP)/Intelligent Edge Processor and requiring fewer transmissions (2–3) between FIs and the network to process transactions.

2. **Stand-In Authorization** provides back-up processing for issuers when systems are down or they cannot communicate with the network to process transactions on their behalf.

3. **X-Code Authorization** provides back-up processing for acquirers when systems are down or they cannot communicate with the network to process transaction on their behalf.

How We Can Prove It

No other network can provide back-up processing for acquirers that MasterCard provides utilizing the MIPs/Intelligent Edge Processors. In fact, MasterCard processes over 1.4M transactions on average each year for acquirers that would have been declined on other networks, translating to **over $55M USD in saved GDV**.

What Competitors Lack

**Visa**
Maintains a centralized network with limited routing capabilities that is more vulnerable to widespread failure. This increases the potential for failure by requiring more transmissions (4) between FIs and the network to process transactions. Visa does not always offer back-up processing for issuers and can’t offer back-up processing for acquirers…Visa doesn’t have X-Code Authorization

**Domestic Processors**
Do not generally maintain high standards for processing reliability and redundancy. They don’t always offer back-up processing for issuers and can’t offer back-up processing for acquirers.