Fact Sheet: Mobile Commerce:

**A New Way to Pay**
**MASTERCARD MOBILE COMMERCE**

According to the GSM Association, there are five billion mobile phone subscribers globally as of May 2011. With accessibility to new and increasingly cost-effective network and handset technologies in developing and emerging markets, mobile phones are becoming even more embedded in our lives. This market momentum is driving the evolution and adoption of new forms of mobile commerce.

For over a decade, MasterCard has been leading the transformation of mobile phones into secure mobile payment devices; we are pioneering the development of unique mobile information services to facilitate and promote financial inclusion and commerce; and continue to be a champion of global mobile payment standards. At the heart of it all is our network – its speed, reliability and global interoperability allows consumers to safely access their (credit, debit or prepaid) accounts and make purchases securely using their mobile phones.
MASTERCARD HAS DEVELOPED A NUMBER OF SOLUTIONS THAT ENHANCE THE CONSUMER MOBILE EXPERIENCE:

**MasterCard PayPass™** is an innovative contactless payment technology that can be added to any MasterCard® or Maestro® account. Consumers simply tap their PayPass™-enabled card, mobile phone or other device on a contactless equipped merchant terminal, eliminating the need to fumble for cash and coins, swipe or hand their card over to a clerk. Signatures are not required for PayPass purchases under $50 (or local currency equivalent) except in certain countries. PayPass comes in either a contactless form (non-integrated via tag or sticker on the mobile) or NFC chip (embedded and integrated in the mobile device).

**MasterCard Mobile Over-the-Air Provisioning Service (MOTAPS),** the first service of its kind to enable issuers to perform over-the-air personalization of their cardholders’ mobile devices in an easy, one-step process. The service allows issuers to implement PayPass on mobile programs in a reduced timeframe with minimal development and implementation effort. MOTAPS is the first over-the-air secure personalization and management solution for mobile payments that can activate the PayPass contactless payment application in the mobile phone securely.

**MasterCard Mobile Payments Gateway** is a mobile payments processing platform that enables financial institutions and mobile network operators to deliver end-to-end mobile payments solutions through the MasterCard Worldwide Network. The service gives consumers the ability to use their phone as a mobile wallet and link their existing credit, debit or prepaid MasterCard or Maestro card accounts to their mobile phone to fund mobile-initiated payments. MasterCard is working with Smart Hub, Inc. (SMART HUB, a subsidiary of Philippine-based Smart Communications, Inc.) to leverage its mobile payments technology to develop the MasterCard Mobile Payments Gateway.

**MasterCard MoneySend™** is a breakthrough consumer payment platform that provides a better way to send and receive funds via SMS-text, mobile browser, mobile applet or an Internet PC. The availability of the Mobile MasterCard MoneySend person-to-person (P2P) platform in the U.S. builds upon the success MasterCard has seen with MoneySend in the Asia Pacific Middle East Africa region, where it is available in 23 countries, including Singapore, Malaysia, Indonesia, Thailand, India, Mexico and the Philippines.

**MasterCard Mobile Prepaid Solutions** are flexible payment options that are designed to meet the needs of consumers, businesses and governments. On a mobile phone, MasterCard prepaid accounts serve as the funding source for payments made and can facilitate person-to-person (P2P) mobile transfers.

**MasterCard Virtual Card Numbers (VCNs)** are one-time use prepaid account numbers that allow users to complete a transaction using a mobile phone or via the Internet. MasterCard’s inControl™ platform generates these VCNs, providing consumers a safe and secure way to pay using their mobile phones.
MOBILE PAYMENTS MOMENTUM:
MasterCard continues to innovate, invest in and partner with companies to advance the mobile payments industry. There are essentially three ways a mobile payments ecosystem will develop, largely determined by a market’s infrastructure:

- Contactless payment method;
- SMS-based Money Management system; and,
- Mobile Commerce-enabled system with the rapid deployment of smart phones.

MasterCard believes versions of all three will develop, and as a result, has been working since 2003 with wireless operators, handset manufacturers, service providers, third party developers, merchants and more to advance all areas of mobile payments to provide benefit to consumers.

October 2004
Motorola announces its plan to conduct a field trial of mobile phones enabled with MasterCard PayPass and Near Field Communications (NFC) technology, allowing consumers to enjoy the benefits of simpler and faster transactions conducted with mobile phones.

April 2006
MasterCard and G&D launch the world's first full-scale over-the-air (OTA) secure personalization payment solution for mobile phone-based payments. This solution is the first OTA secure personalization and management solution for mobile payments that can activate the PayPass contactless payment application in the mobile phone securely.

October 2008
MasterCard announces the launch of the MasterCard Over-the-Air Provisioning Service (MOTAPS), the first program of its kind that enables issuers to perform over-the-air (OTA) personalization of their cardholders’ mobile devices in an easy, one-step process.

June 2009
MasterCard’s fully-integrated, on-demand person-to-person (P2P) mobile payment platform for platform for issuers in the United States, MasterCard MoneySend, goes live, allowing MasterCard participating bank customers to offer Mobile MasterCard MoneySend™ P2P payments to their customers.

November 2009
MasterCard announces the introduction of the MasterCard Mobile Payments Gateway. Itaú Unibanco and Redecard, along with mobile network operator Vivo, are the first to use the service to deliver mobile payment solutions to the banks' customers in Brazil.

DnB NOR, Norway's largest bank and a leader in mobile financial services, announces its plan to launch a mobile payment services trial for its MasterCard cardholders. Using the MasterCard Mobile Over-the-Air Provisioning Service (MOTAPS), DnB NOR cardholders are the first to trial the service allows them to use their NFC-enabled mobile phones to make payments wherever MasterCard PayPass is accepted.

June 2010
MasterCard and Smart Hub Inc., a subsidiary of Smart Communications Inc., announce a joint venture to provide MasterCard payment solutions for consumers using the MasterCard Mobile Payments Gateway. The partnership brings together Smart Hub Inc.’s tested mobile payments platform and telecom experience and MasterCard’s global brand, establishing an optimal mobile payments infrastructure for the world’s developing economies, beginning in Brazil with Itaú Unibanco and Redecard and mobile network operator Vivo.

January 2011
MasterCard and Telefonica announce a joint venture to lead the development of mobile financial solutions in 12 countries within Latin America where Telefonica’s Movistar® brand is present. The new company integrates the convenience and accessibility provided by mobile phones with a set of financial solutions that work with existing electronic payments using the MasterCard Mobile Payments Gateway.

February 2011
MasterCard, Airtel Africa and Standard Chartered Bank launch the world’s first virtual card that operates off a wallet residing on a mobile phone. The payment method, known as PayOnline, offers consumers the opportunity for greater participation in the financial system as they realize the benefits of mobile commerce. The single use shopping card for which MasterCard and Airtel won a GSMA Innovation Award is available in Kenya and will continue to be rolled out to market across Africa.

May 2011
MasterCard, Citi, Google, Sprint and First Data announce a partnership to bring Google Wallet – a virtual wallet application – to smartphone consumers in the United States. The partnership leverages MasterCard’s PayPass system in conjunction with NFC-enabled smartphones. Google Wallet comes preloaded with a Google MasterCard prepaid card and the ability to add Citi MasterCards.

Orange and Barclaycard deliver the United Kingdom’s first commercial NFC mobile payments service to customers of Everything Everywhere, the mobile network formed by the merger of Orange and T-Mobile. The system runs on MasterCard PayPass contactless technology.

July 2011
MasterCard joins ISIS, the national mobile commerce joint venture between AT&T Mobility, T-Mobile USA and Verizon Wireless. This agreement allows ISIS compatible devices to complete transactions utilizing MasterCard PayPass technology, ensuring quick, secure payments.

September 2011
Google Wallet is made available to consumers, beginning on September 19. The update allows Sprint Nexus S 4G owners to use Google Wallet to purchase goods at more than 144,000 merchant locations across the United States.

Etisalat, MasterCard and Research in Motion announce a strategic collaboration to launch NFC technology payments in the United Arab Emirates, bringing the ability to make secure, fast payments at MasterCard PayPass-enabled merchants.

November 2011
MasterCard and Intel agree to a partnership to bring a safer and simpler checkout process for online shopping on Intel-powered Ultrabooks. This checkout process will utilize MasterCard’s PayPass and Intel’s Identity Protection Technology (IPT) products.

MasterCard and Telefonica announce the creation of a joint venture to offer mobile financial solutions for 65 million Vivo consumers in Brazil. The initiative will create a mobile wallet allowing consumers to make payments via their mobile phones as well as transfer funds, pay bills and make online purchases.

MasterCard announces a partnership and strategic investment in mFoundry allowing banks that use mFoundry for their mobile banking apps to add support for contactless NFC MasterCard PayPass payments.

January 2012
Turkcell and Research In Motion announce the commercial availability of an NFC mobile wallet application, the Turkcell Cep-T Cüzdan, for BlackBerry® Bold™ 9900 smartphone customers in Turkey. This application enables Turkcell customers to make payments in a simple, easy, safe and convenient way by simply tapping their NFC-enabled BlackBerry Bold 9900 against a MasterCard PayPass™ reader in shops, retail outlets, cafes and restaurants across Turkey.

In partnership with Hoyts’ La Premiere cinema chain and Commonwealth Bank, MasterCard Labs launched the world’s first commercial pilot program of “QkR by MasterCard” in Australia. With QkR by MasterCard, movie-goers with an Android or iOS powered device can order their concessions right from the comfort of their seat via an application downloaded to their phone. This application allows consumers to scan a QR code to make a purchase, tap an NFC-capable device against the QR code on the seat or type the unique scan code.

February 2012
MasterCard launches the Mobile Money Partnership Program, a global initiative to open commerce to financially underserved consumers in developing regions around the world. By partnering with mobile money technology providers, MasterCard is helping mobile network operators accelerate their migration to an open loop financial services system. As a result, consumers obtain access to MasterCard services such as enabling mobile money account holders to send funds to each other, send or receive international remittances, and make purchases at the more than 32 million physical and online merchant locations online where MasterCard is accepted.

As part of the Mobile Money Partnership Program launch, MasterCard announces exclusive partnership deals with two mobile money technology providers: India-based Comviva Technologies Limited and Singapore-based Utiba.

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