



# Mastercard: An Overview

State of Michigan House Financial Services Committee

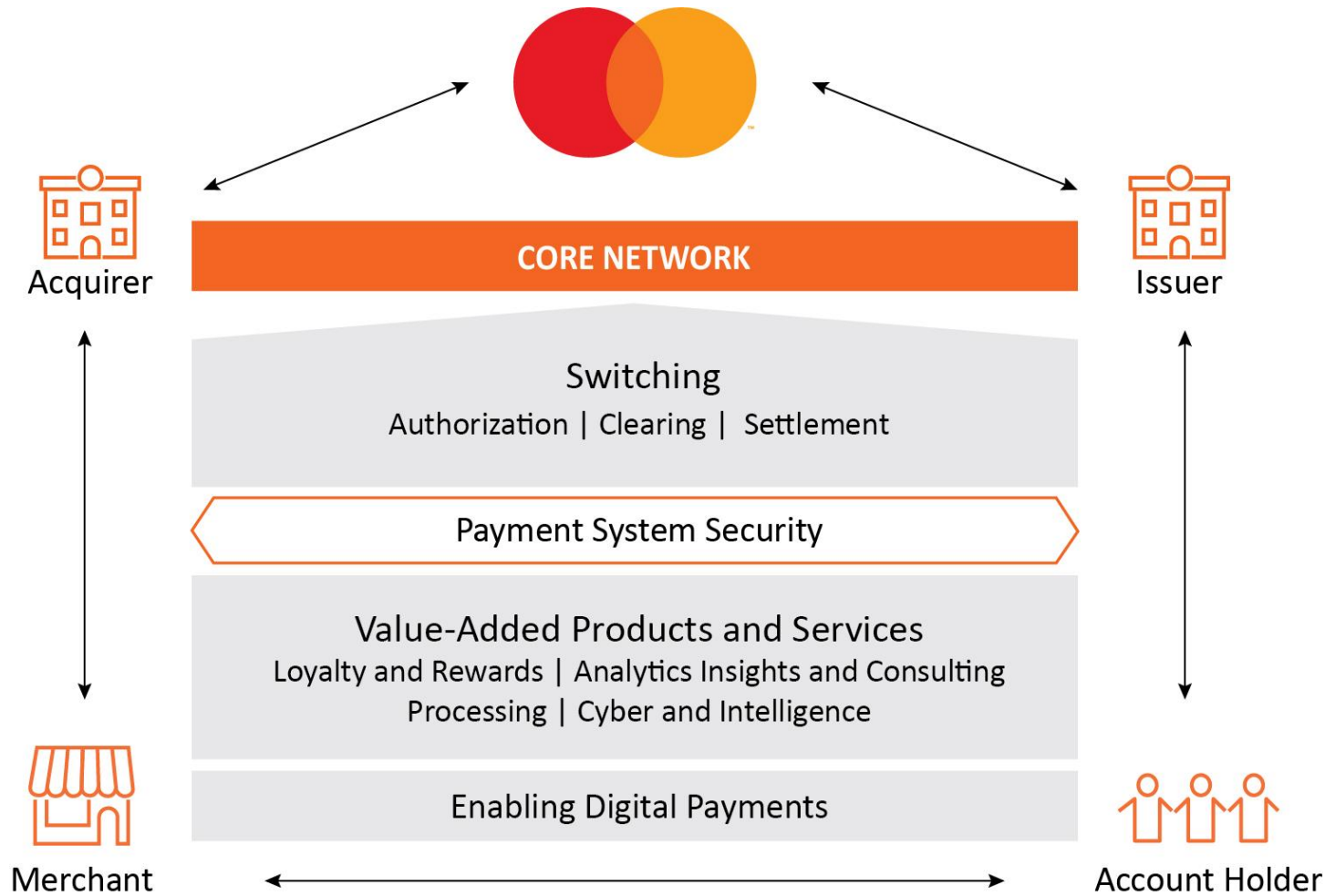
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Patrick Dwyer, Director, State Public Policy



- Mastercard is a technology company in the global payments industry that connects consumers, financial institutions, merchants, governments, digital partners, businesses and other organizations worldwide, enabling them to use electronic forms of payment instead of cash and checks.
- We make payments easier and more efficient by providing a wide range of payment solutions and services using our family of well-known brands, including Mastercard<sup>®</sup>, Maestro<sup>®</sup> and Cirrus<sup>®</sup>.
- We also provide integrated value-added offerings such as cyber and intelligence products, information and analytics services, consulting, loyalty and reward programs, processing and open banking. Our payment solutions offer customers choice and flexibility and are designed to ensure safety and security for the global payments system.

# Our Network



- We operate a multi-rail network that offers customers one partner to turn to for their domestic and cross-border payment needs.
- Through our unique and proprietary global payments network, we switch (authorize, clear and settle) payment transactions and deliver related products and services.
- We have additional payment capabilities that include automated clearing house (“ACH”) transactions (both batch and real-time account-based payments).

# Power of Networks

Efficiently solving the “many-to-many” challenge

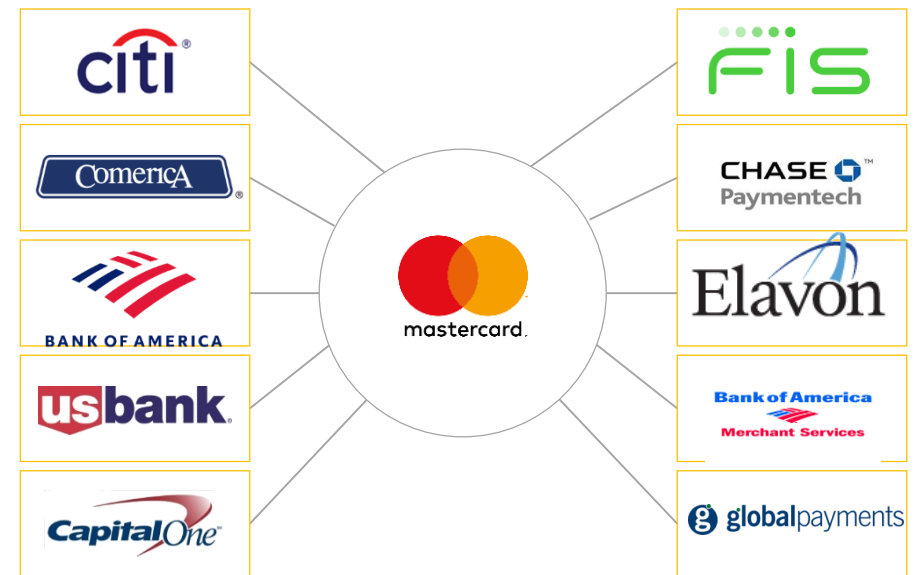
- Payment networks such as Mastercard connect and transmit payment transactions between acquirers and issuers, performing services such as payment authorization, clearing, and settlement

- Typical card network services include (but not limited to): transaction routing, settlement, risk management and standards and rules
- \*American Express and Discover serves as proprietary credit card issuer, merchant acquirer and payment network operator. American Express does not issue debit cards.

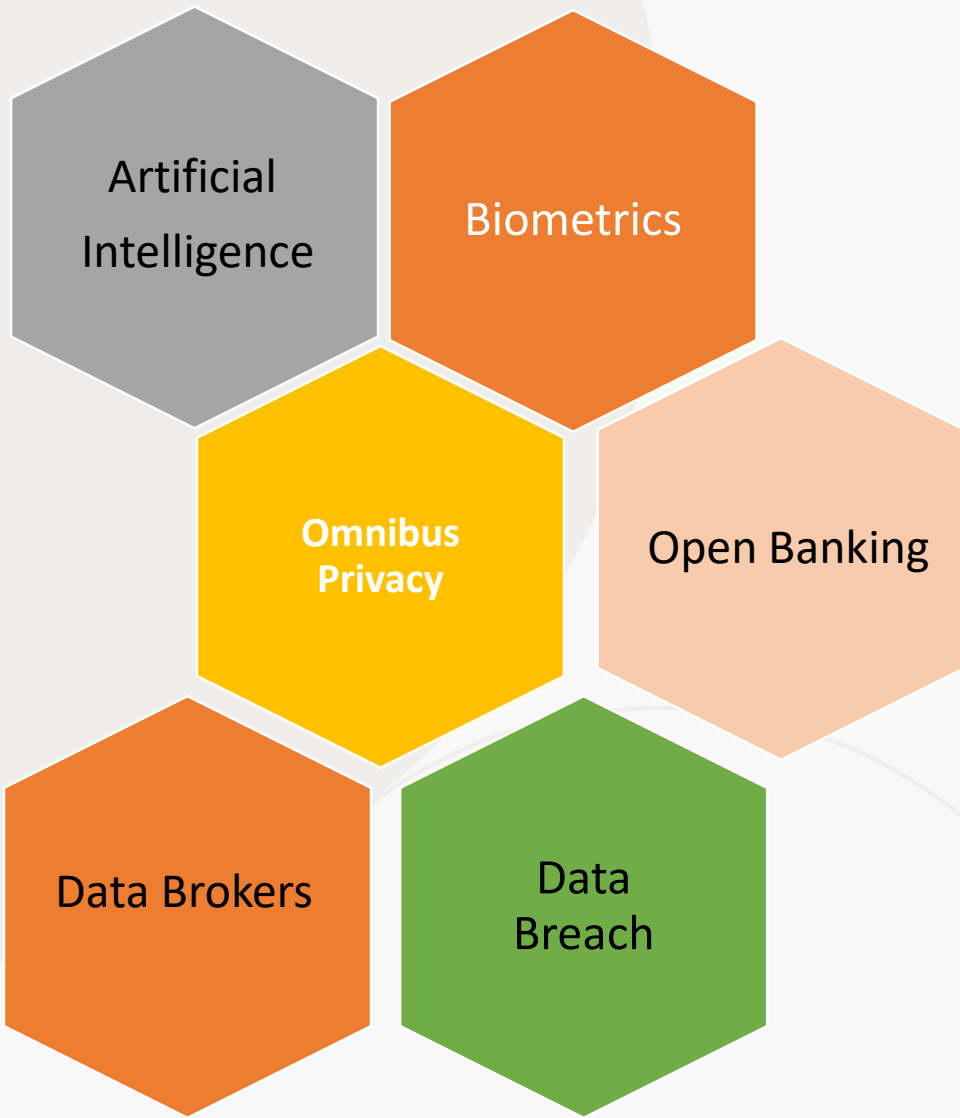
Without Networks (25 discrete connections)



With Networks (10 discrete connections)



# Data and Mastercard





# Mastercard in Michigan




## Michigan Statewide Info

 Employees Living in MI: 53

 Employees Working in MI: 53

 Impact on Employment: 82,700

 eCommerce: 33%

 Wages and Benefits: \$18.3 million

 Credit Card Rewards: \$1.1 billion

 Impact on GDP: \$7.7 billion

## Global Reach and Local Impact

Michigan residents benefit from our network in a number of ways:

- Michigan cardholders receive ~1.1B in Credit Card rewards annually
- ~ 7.7B in card payments facilitated by Mastercard annually
- Over 33% of that GDP is eCommerce

Questions