

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**      **Lina M. Khan, Chair**  
                                 **Rebecca Kelly Slaughter**  
                                 **Christine S. Wilson**  
                                 **Alvaro M. Bedoya**

In the Matter of	)	
	)	<b><u>DECISION AND ORDER</u></b>
Mastercard Incorporated,	)	<b>Docket No.</b>
a corporation.	)	
	)	

**DECISION**

The Federal Trade Commission initiated an investigation of certain acts and practices of Mastercard Incorporated (“Mastercard” or “Respondent”). The Commission’s Bureau of Competition prepared and furnished to Respondent the Draft Complaint, which it proposed to present to the Commission for its consideration. If issued by the Commission, the Draft Complaint would charge Respondent with violations of Section 920 of the Electronic Funds Transfer Act (“EFTA”), as amended, 15 U.S.C. § 1693o-2, and its implementing regulation, Regulation II, 12 C.F.R. § 235 *et seq.*, and therefore of the Federal Trade Commission Act, 15 U.S.C. § 41 *et seq.*

Respondent and the Bureau of Competition executed an Agreement Containing Consent Order (“Consent Agreement”) containing (1) an admission by Respondent of all the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission’s Rules, and (4) a proposed Decision and Order.

The Commission considered the matter and determined that it had reason to believe that Respondent has violated the said Acts, and that a complaint should issue stating its charges in that respect. The Commission accepted the Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments; at the same time, it issued and served its Complaint. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Rule 2.34, the Commission makes the following jurisdictional findings:

1. Respondent is a corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Delaware with its executive offices and principal place of business located at 2000 Purchase Street, Purchase, NY 10577.
2. The Commission has jurisdiction of the subject matter of this proceeding and over Respondent, and the proceeding is in the public interest.

## **ORDER**

### **I. Definitions**

**IT IS HEREBY ORDERED** that, as used in this Order, the following definitions shall apply:

- A. “Mastercard” or “Respondent” means Mastercard Incorporated, and its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Mastercard Incorporated, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. “Acquirer,” as defined in 12 C.F.R. § 235.2(b) as of November 1, 2022, means a Person that contracts directly or indirectly with a Merchant to provide settlement for the Merchant’s Electronic Debit Transactions over a Payment Card Network. An Acquirer does not include a Person that acts only as a processor for the services it provides to the Merchant.
- C. “Authorized” means a bona fide participant in the transaction flow of an Electronic Debit Transaction that has successfully completed any necessary testing with Mastercard and does not include actors attempting fraudulent Electronic Debit Transactions.
- D. “Commission” means the Federal Trade Commission.
- E. “Competing Payment Card Network” means a Payment Card Network other than a Payment Card Network owned by, operated by, or affiliated with Mastercard.
- F. “Debit Card,” as defined in 12 C.F.R. § 235.2(f) as of November 1, 2022, (1) means any card, or other payment code or device, issued or approved for use through a Payment Card Network to debit an account, regardless of whether authorization is based on signature, personal identification number (PIN), or other means, and regardless of whether the issuer holds the account, and (2) includes any general-use prepaid card; and (3) does not include (i) any card, or other payment code or device, that is redeemable upon presentation at only a single merchant or an affiliated group of merchants for goods or services; or (ii) a check, draft, or similar paper instrument, or an electronic representation thereof.
- G. “Electronic Debit Transaction,” as defined in 12 C.F.R. § 235.2(h) as of November 1, 2022, (1) means the use of a Debit Card by a Person as a form of payment in the United

States to initiate a debit to an account, and (2) does not include transactions initiated at an ATM, including cash withdrawals and balance transfers initiated at an ATM.

- H. “Issuer,” as defined in 12 C.F.R. § 235.2(k) as of November 1, 2022, means any Person that authorizes the use of a Debit Card to perform an Electronic Debit Transaction.
- I. “Mastercard Token” means a Payment Token generated by a Token Service Provider owned by, operated by, or affiliated with Mastercard.
- J. “Merchant,” as defined in 12 C.F.R. § 235.2(l) as of November 1, 2022, means any

## **II. Injunction**

**IT IS FURTHER ORDERED** that:

- A. Upon receiving a request from an Authorized Merchant, Authorized Acquirer, Authorized Competing Payment Card Network, or other Authorized Person in receipt of a Mastercard Token furnished for an Electronic Debit Transaction, Respondent shall

including any Pilot Program or other Limited Launch), any New Debit Product that requires Merchants to R

authorized to perform this function. If the compliance report is verified by someone other than the Chief Executive Officer, Respondent shall include documentation in the compliance report establishing that the verifier is authorized to verify the compliance report on behalf of the Respondent. Respondent shall file its compliance reports with the Secretary of the Commission at [ElectronicFilings@ftc.gov](mailto:ElectronicFilings@ftc.gov) and the Compliance Division at [bccompliance@ftc.gov](mailto:bccompliance@ftc.gov), as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a).

## **VI. Change in Respondent**

**IT IS FURTHER ORDERED** that Respondent shall notify the Commission at least 30 days prior to:

- A. The dissolution of Mastercard Incorporated;
- B. The acquisition, merger, or consolidation of M M M M M (i)-2 (on of)w-2 (i)-2 (da)4 (t)-2 (i)[ M M -10

## IX. Term

**IT IS FURTHER ORDERED** that this Order shall terminate 10 years from the date it is issued;

*Provided, however,* that, if the United States or the Commission files a complaint in federal court alleging a violation of this Order, the Order shall terminate 10 years from the date of the complaint's filing;

*Provided further, however,* that if such a complaint is dismissed or a federal court rules that Respondent did not violate any provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate as though the complaint had never been filed, except that the Order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal;

## **APPENDIX A**

Mastercard is required to send you this notice by the FTC's Decision and Order in *In re Mastercard Incorporated.*, C-xxxx ("Order"). You may read and download a copy of the Order from the FTC's website at [web link to case on FTC website]. Mastercard's obligations under the Order are set out in Section II of the Order. Capitalized terms used in the Order are defined