MasterCard Easy Savings® Program

Program Review & Ongoing Marketing Support

June 29, 2018
Our financial institutions and small business customers have a myriad of needs and challenges giving us an opportunity to provide significant value

- Building the best in class business models starts with a deep understanding of the customer’s needs

- Focus on delivering relevant and scalable solutions that will drive engagement with partners and small business segment growth
What is Easy Savings?

• Easy Savings is a Merchant funded & MasterCard managed automatic rebate program for small business cardholders.

• Easy to use & easy to implement – Easy Savings requires no coupons or codes required, simply use the card and get the savings.

• Rebates post automatically when the cardholder uses the card at participating merchants. Savings are included in the cardholders monthly billing statement.

• Easy Savings is a proven business loyalty program; one rebate = lift in spend, increase in transactions, category expansion, and more
Cost efficient way to increase cardholder value

_The MasterCard Easy Savings® Program_ is a merchant funded _automatic_ rebate program for MasterCard U.S. Small Business Cardholders. _There are no coupons, codes or cost for cardholders_. Other than marketing, there is no cost for issuers. The program is designed to partner with national merchants in key frequent usage categories.

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**Merchant Partners – Over 45,000 locations**

**All Offers**

- **TiresPlus**
  - Save 2%
- **Bing Ads**
  - Save 5%
- **Rakuten**
  - Save 2%
- **Restaurant Network**
  - Save 1%
- **Firestone**
  - Save 2%
- **Fuelman Network**
  - Save 6%
- **Yiftee**
  - Save 20%
- **Hotel Network**
  - Save 0%
- **Mimeo**
  - Save 12%
- **LivePlan**
  - Save 12%
- **BizEquity**
  - Save 22%
- **BigWiz**
  - Save 12%
- **Monster**
  - Save 12%
- **Park Ride Fly USA**
  - Save 12%
- **CheckINN Direct**
  - Save 1%
- **Budget Truck**
  - Save 1%
- **Budget**
  - Save 5%
- **AVIS**
  - Save 5%

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="From our research, Easy Savings a much stronger selling point compared to Visa Savings Edge."

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**MARCH 14, 2018**

APPENDIX 4
Easy Savings Program networks have thousands of well known brand name locations

Hotel Network – with over 5k midscale and economy hotels you earn 4% rebate for using your MasterCard® business card.

Restaurant network – More than 15k participating locations from the national brands below and local gems:

Fuelman network – with 19k gas stations is a nationally recognized fuel and maintenance network servicing the needs of small and mid-size businesses.

Not all locations participate in Easy Savings. To find location that does participate, go to easysavings.com
How Does Easy Savings Add Value?
- Program Performance: Increase spend & category expansion
All Spend Active Easy Savings Enrollees – Cardholder Spend – 2015 vs. 2016

For Small Business Credit cardholders who were enrolled and spend active in both years, average Small Business Credit cardholder spend increased by 12.8% for cardholders who have received 6+ rebates

Average spend per card on Easy Savings participating merchants by enrolled cardholders

* Analysis of cardholders spending on Easy Savings participating merchants in both 2015 and 2016
* Rebate Segment: Based on total rebates in 2016
For Small Business Credit cardholders who were enrolled and spend active in both years, average Small Business Credit cardholder transactions increased by 20.9% for cardholders who have received 6+ rebates.

Average transactions per card on Easy Savings participating merchants by enrolled cardholders

* Analysis of cardholders spending on Easy Savings participating merchants in both 2015 and 2016

* Rebate Segment: Based on total rebates in 2016
All Spend Active Easy Savings Enrollees – Cardholder Spend – 2015 vs. 2016

For Small Business Credit cardholders who were enrolled and spend active in both years, average Small Business Credit cardholder spend increased by 25.47% for cardholders who have received 6+ rebates.

Average spend per card across Mastercard network by enrolled cardholders

* Analysis of cardholders spending across Mastercard network in both 2015 and 2016
* Rebate Segment: Based on total rebates in 2016
For Small Business Credit cardholders who were enrolled and spend active in both years, average Small Business Credit cardholder transactions increased by 27.25% for cardholders who have received 6+ rebates.

Average transactions per card across Mastercard network by enrolled cardholders

* Analysis of cardholders spending across Mastercard network in both 2015 and 2016
* Rebate Segment: Based on total rebates in 2016
Cardholders who start receiving rebates spend between 113.11% and 135.13% more per month on average compared to those who do not receive a rebate.

Impact of First Rebate on Cardholder Spend

* Based on transactions across Mastercard network by enrolled cardholders
* Non Rebate Receiving: Cardholders who had transaction in Jan 2016 and did not received any Easy Savings rebate
* Fuel And/Or All Other Rebate Active: Cardholders who had transaction in Jan 2016 and received first Easy Savings rebate in Jan 2016
* Fuelman Rebate Active Only: Cardholders who had transaction in Jan 2016 and received first Easy Savings rebate in Jan 2016. All rebates received in Jan 2016 were from Fuelman locations.
Small Business Credit cardholders who received MasterCard Easy Savings® Program rebates exhibited great increased card use across industries, while those without rebates decreased card use.

* Analysis of cardholders spending across Mastercard network in both 2015 and 2016

* Rebate Segment: Based on total rebates in 2016
MasterCard Easy Savings® Program offers drew new customers to merchants: 64.2% of customers were new to Easy Saving participating merchants in 2016.

<table>
<thead>
<tr>
<th>Merchant</th>
<th>Repeat</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avis</td>
<td>18.00%</td>
<td>82.00%</td>
</tr>
<tr>
<td>Budget</td>
<td>14.28%</td>
<td>85.72%</td>
</tr>
<tr>
<td>Budget Truck</td>
<td>15.65%</td>
<td>84.35%</td>
</tr>
<tr>
<td>MasterCard Hotel Network</td>
<td>21.57%</td>
<td>78.43%</td>
</tr>
<tr>
<td>DHL</td>
<td>27.16%</td>
<td>72.84%</td>
</tr>
<tr>
<td>Dinova</td>
<td>33.94%</td>
<td>66.06%</td>
</tr>
<tr>
<td>Fuelman Fuel</td>
<td>45.60%</td>
<td>54.40%</td>
</tr>
<tr>
<td>Fuelman Maintenance</td>
<td>19.62%</td>
<td>80.38%</td>
</tr>
<tr>
<td>Mimeo</td>
<td>24.07%</td>
<td>75.93%</td>
</tr>
<tr>
<td>Monster</td>
<td>21.75%</td>
<td>78.25%</td>
</tr>
</tbody>
</table>

* Repeat: Cardholders who had transaction on Merchant in both 2015 and 2016
* New: Cardholders who had no transaction on Merchant in 2015 but had in 2016
What’s Next & Implementation Steps

1. Legal documents
   – Registration from issuer signed and returned to MC

2. Transaction Testing – need test account numbers

3. Develop Marketing/ Cardholder Notification
   A. Existing cardholders – Insert, Self Mailer, and/or e-Mail Notification
   B. New cardholders

4. 4) BIN Enablement Date discussion – Coordinate with MC as #3A should happen minimally three to five business days before BIN enablement depending on communications method chosen.
• MasterCard Easy Savings® Program engagement increases annual spend.

• MasterCard Easy Savings® Program engagement improves retention.

• MasterCard Easy Savings® Program marketing is necessary and increases spend and retention. Turnkey materials are available at the MasterCard Optimization Solutions Center.

• Easy Savings® sends our monthly Program Updates. To include your cardholders with emails, please contact Maggie.behr@mastercard.com
MASTERCARD EASY SAVINGS PROGRAM – Sample Turnkey marketing materials

**Statement Insert**

Mastercard Easy Savings™

You take care of your business. We take care of the savings.

Save wherever your business takes you.

Download the Mastercard Easy Savings™ app to find locations to save while you’re on the go.

Use your Mastercard® business card today and save. EasySavings.com

**Web Banners**

1. **STATIC WEB BANNERS**
   - 160x600
   - 300x250

2. **STATIC WEB BANNERS**
   - 728x90

**Custom Newsletter**

- Save 1% at select gas station locations.
- Save 4% at select hotel locations.
- Save 4% at select dining locations.

Download the Mastercard Easy Savings™ mobile app and find locations to save when you’re on the go.

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# MasterCard Easy Savings Cardholder Statement

## Illustrative Example

<table>
<thead>
<tr>
<th>Date 1</th>
<th>Date 2</th>
<th>Merchant Name</th>
<th>Location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/20</td>
<td>4/20</td>
<td>ABC Merchant</td>
<td>Stamford</td>
<td>$30.00</td>
</tr>
<tr>
<td>4/22</td>
<td>4/22</td>
<td>RBT_ABC Merchant</td>
<td>CT</td>
<td>3.00</td>
</tr>
</tbody>
</table>

- Makes it easy and clear what they saved and with whom
- Merchant name/savings link increases loyalty to merchant
Cardholder is enrolled in the program by their bank.

Cardholder uses their card at a Merchant partner location or online and the transaction processes normally.

At clearing, we tag the transaction as qualifying for a rebate and initiate a rebate transaction.

Bank posts the initial transaction and the rebate using existing processing platform.

Rebate automatically posts to statement, online banking, and the MasterCard Easy Savings Website.

MasterCard invoices the partner on a monthly basis for the rebates issued in the previous month. Corresponding backup includes the individual transactions qualifying for the rebate.
In the event of a chargeback and the member returns a transaction it will be a 1st presentment with processing code of 20. The member will get a return of the full amount. MasterCard monitors Easy Savings and will handle the return of the rebate. This will be done by MasterCard by sending a 1st Presentment with a processing code of 28 (payment) and PDS 25 with an “R” for a reversal and that will allow the rebate to be returned to the Merchant.
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