



The MasterCard Transit Risk Management Processing Solution

MasterCard has introduced a solution that will enable the use of bankcards, smartphones, and new form factors (e.g. smart watches and wristbands) for transit system access and fare payment.

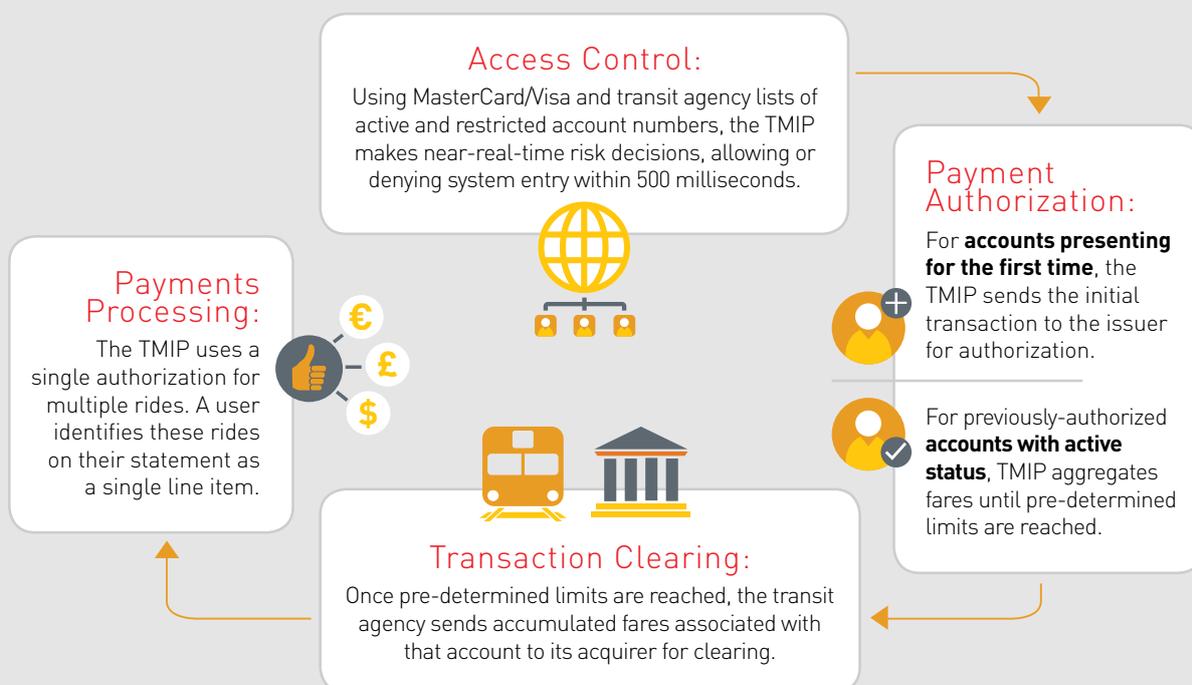
This solution will enable consumers to easily enter a transit system and pay the associated fare without having to pre-register a card or pre-fund a transit account. The MasterCard solution permits such “open-loop” pay-as-you-go transactions while minimizing the risk of lost fare revenue to the transit agency.

The Transit Risk Management Processing Solution was made possible by two innovations:

- MasterCard Contactless-enabled cards and NFC-enabled devices, both of which speed up system access by making tap-based entry possible.
- The Transit-Enhanced MasterCard Interface Processor (TMIP), an engine that makes near-instantaneous system access decisions based on card or account validity. The TMIP uses a single authorization for multiple rides/fares, aggregating fares up to limits pre-determined by MasterCard and the transit agency.

Transit Payments: Faster, Safer, Better

How the “open-loop” pay-as-you-go solution works:



Key Transit Agency Requirements

Some of the requirements for participation in the Transit Risk Management Processing Solution may already be in place at many transit agencies. The main requirements are as follows:



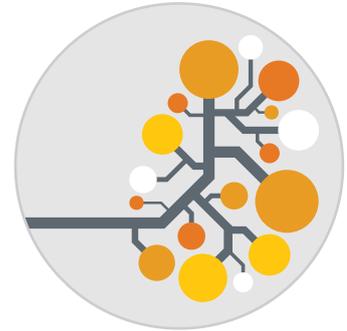
Terminals

- Terminals must be optimized for contactless, high-speed transactions.
- Terminals must be able to send properly formatted authorization messages to the TMIP.
- In the event of a communications failure, must maintain an “ultra hotlist” of restricted accounts and store some transaction data.
- The agency must enable automated reporting of individual terminal operational status to the agency platform (i.e., an automated Estate Management System should be in place).



Transit Platform

- The transit agency will have to make modifications to enable its platform to interact with the TMIP. MasterCard provides detailed specifications for this purpose.
- The transit platform must be able to send log files to the TMIP in real time. These log files will include information such as updates to the restricted account list, activity and fare information for active accounts, and velocity updates.



Network:

- The agency should run on a high-speed network infrastructure (e.g., fiber-based cable).
- The network must use serialization and propagation to ensure minimal delays.
- The network must be QoS (quality-of-service) capable.

MasterCard is committed to helping cities become more inclusive, more sustainable and more open—by applying our technology, data and partnerships to the challenges of an increasingly urban world. **For more information about our work with cities around the world, visit: www.mastercard.com/smart-cities**