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DELTA REPORT

10-Q

MA - MASTERCARD INC

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2776
CHANGES	299
DELETIONS	1389
ADDITIONS	1088

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2023 March 31, 2024

Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-32877

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Mastercard Incorporated

(Exact name of registrant as specified in its charter)

Delaware	**13-4172551**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification Number)**
2000 Purchase Street	**10577**
Purchase, NY	**(Zip Code)**
(Address of principal executive offices)	

(914) 249-2000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange of which registered
Class A Common Stock, par value $0.0001 per share	MA	New York Stock Exchange
2.1% Notes due 2027	MA27	New York Stock Exchange
1.0% Notes due 2029	MA29A	New York Stock Exchange
2.5% Notes due 2030	MA30	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files) Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13 (a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes ☐ No ☒

As of October 23, 2023 April 26, 2024, there were 930,438,307 922,470,031 shares outstanding of the registrant's Class A common stock, par value $0.0001 per share; and 7,337,754 7,145,369 shares outstanding of the registrant's Class B common stock, par value $0.0001 per share.

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In this Report on Form 10-Q ("Report"), references to the "Company," "Mastercard," "we," "us" or "our" refer to the business conducted by Mastercard Incorporated and its consolidated subsidiaries, including our operating subsidiary, Mastercard International Incorporated, and to the Mastercard brand.

Forward-Looking Statements

This Report contains forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts may be forward-looking statements. When used in this Report, the words "believe", "expect", "could", "may", "would", "will", "trend" and similar words are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements that relate to the Company's future prospects, developments and business strategies.

Many factors and uncertainties relating to our operations and business environment, all of which are difficult to predict and many of which are outside of our control, influence whether any forward-looking statements can or will be achieved. Any one of those factors could cause our actual results to differ materially from those expressed or implied in writing in any forward-looking statements made by Mastercard or on its behalf, including, but not limited to, the following factors:

- regulation directly related to the payments industry (including regulatory, legislative and litigation activity with respect to interchange rates and surcharging)
- the impact of preferential or protective government actions
- regulation of privacy, data, AI, information security and the digital economy
- regulation that directly or indirectly applies to us based on our participation in the global payments industry (including anti-money laundering, counter countering the financing of terrorism, economic sanctions and anti-corruption, account-based payments systems, and issuer and acquirer practice practices regulation)
- the impact of changes in tax laws, as well as regulations and interpretations of such laws or challenges to our tax positions
- potential or incurred liability and limitations on business related to any litigation or litigation settlements
- the impact of competition in the global payments industry (including disintermediation and pricing pressure)
- the challenges relating to rapid technological developments and changes
- the challenges relating to operating a real-time account-based payments system and to working with new customers and end users
- the impact of information security incidents, account data breaches or service disruptions
- issues related to our relationships with our stakeholders (including loss of substantial business from significant customers, competitor relationships with our customers, consolidation amongst our customers, merchants' continued focus on acceptance costs and unique risks from our work with governments)
- the impact of global economic, political, financial and societal events and conditions, including adverse currency fluctuations and foreign exchange controls as well as events and resulting actions related to the Russian invasion of Ukraine

- the impact of the global COVID-19 pandemic and measures taken in response
- reputational impact, including impact related to brand perception and lack of visibility of our brands in products and services
- the impact of environmental, social and governance matters and related stakeholder reaction
- the inability to attract and retain a highly qualified and diverse workforce, or maintain our corporate culture
- issues related to acquisition integration, strategic investments and entry into new businesses
- exposure to loss or illiquidity due to our role as guarantor and as well as other contractual obligations and discretionary actions we may take
- issues related to our Class A common stock and corporate governance structure

Please see a complete discussion of these risk factors in Part I, Item 1A - Risk Factors of the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023. We caution you that the important factors referenced above may not contain all of the factors that are important to you. Our forward-looking statements speak only as of the date of this Report or as of the date they are made, and we undertake no obligation to update our forward-looking statements.

PART I

Item 1. Consolidated financial statements (unaudited)

Mastercard Incorporated

Index to consolidated financial statements (unaudited)

PART I

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Consolidated Statement of Operations (Unaudited)

Consolidated Statement of Operations (Unaudited)

Consolidated Statement of Operations (Unaudited)

Consolidated Statement of Operations (Unaudited)

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(in millions, except per share data)				(in millions, except per share data)	
Net Revenue	**$6,533**	**$5,756**	**$18,550**	**$16,420**		
Operating Expenses:						
General and administrative						
General and administrative						
General and administrative	2,285	2,069	6,528	5,860		
Advertising and marketing	193	182	561	573		
Depreciation and amortization	211	185	594	566		
Provision for litigation	—	208	231	341		
Total operating expenses	2,689	2,644	7,914	7,340		
Operating income	3,844	3,112	10,636	9,080		
Other Income (Expense):						
Investment income						
Investment income						
Investment income	71	16	185	28		

Gains (losses) on equity investments, net	Gains (losses) on equity investments, net	(6)	60	(95)	(133)
Interest expense	Interest expense	(151)	(120)	(427)	(344)
Other income (expense), net	Other income (expense), net	3	4	19	12
Total other income (expense)	Total other income (expense)	(83)	(40)	(318)	(437)
Income before income taxes	Income before income taxes	3,761	3,072	10,318	8,643
Income tax expense	Income tax expense	563	573	1,914	1,238
Net Income	**Net Income**	**$ 3,198**	**$ 2,499**	**$ 8,404**	**$ 7,405**
Basic Earnings per Share	**Basic Earnings per Share**	**$ 3.40**	**$ 2.59**	**$ 8.88**	**$ 7.63**
Basic weighted-average shares outstanding	Basic weighted-average shares outstanding	941	965	947	971
Diluted Earnings per Share	**Diluted Earnings per Share**	**$ 3.39**	**$ 2.58**	**$ 8.85**	**$ 7.60**
Diluted weighted-average shares outstanding	Diluted weighted-average shares outstanding	943	968	949	974

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income (Unaudited)

Consolidated Statement of Comprehensive Income (Unaudited)

Consolidated Statement of Comprehensive Income (Unaudited)

Consolidated Statement of Comprehensive Income (Unaudited)

		Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022	2023	2022	2024	2023
		(in millions)				(in millions)	
Net Income	**Net Income**	**$ 3,198**	**$ 2,499**	**$ 8,404**	**$ 7,405**		

Other comprehensive income (loss):	Other comprehensive income (loss):				
Foreign currency translation adjustments	Foreign currency translation adjustments	(239)	(743)	(92)	(1,517)
Foreign currency translation adjustments					
Foreign currency translation adjustments					
Income tax effect	Income tax effect	1	62	(13)	105
Foreign currency translation adjustments, net of income tax effect	Foreign currency translation adjustments, net of income tax effect	(238)	(681)	(105)	(1,412)
Translation adjustments on net investment hedges	Translation adjustments on net investment hedges	138	372	53	772
Translation adjustments on net investment hedges					
Translation adjustments on net investment hedges					
Income tax effect	Income tax effect	(31)	(82)	(12)	(171)
Translation adjustments on net investment hedges, net of income tax effect	Translation adjustments on net investment hedges, net of income tax effect	107	290	41	601
Cash flow hedges					
Cash flow hedges					
Cash flow hedges	Cash flow hedges	17	14	(7)	21
Income tax effect	Income tax effect	(4)	(3)	2	(5)
Reclassification adjustments for cash flow hedges	Reclassification adjustments for cash flow hedges	12	(4)	29	(9)
Income tax effect	Income tax effect	(3)	1	(7)	2
Cash flow hedges, net of income tax effect	Cash flow hedges, net of income tax effect	22	8	17	9
Reclassification adjustments for defined benefit pension and other postretirement plans		—	—	—	(1)
Income tax effect		—	—	—	—

Defined benefit pension and other postretirement plans, net of income tax effect		—	—	—	(1)
Investment securities available-for-sale					
Investment securities available-for-sale					
Investment securities available-for-sale	Investment securities available-for-sale	1	(2)	3	(6)
Income tax effect	Income tax effect	—	—	—	1
Investment securities available-for-sale, net of income tax effect	Investment securities available-for-sale, net of income tax effect	1	(2)	3	(5)
Other comprehensive income (loss), net of income tax effect	Other comprehensive income (loss), net of income tax effect	(108)	(385)	(44)	(808)
Other comprehensive income (loss), net of income tax effect					
Other comprehensive income (loss), net of income tax effect					
Comprehensive Income	**Comprehensive Income**	**$ 3,090**	**$ 2,114**	**$ 8,360**	**$ 6,597**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheet (Unaudited) **Consolidated Balance Sheet (Unaudited)**

	September 30, 2023	**December 31, 2022**	
	March 31, 2024		
	March 31, 2024		
	March 31, 2024		**December 31, 2023**
	(in millions, except per share data)		**(in millions, except per share data)**
Assets **Assets**			
Current assets: Current assets:			
Current assets:			
Current assets:			

Cash and cash equivalents	Cash and cash equivalents	$ 6,890	$ 7,008
Restricted cash for litigation settlement		—	589
Cash and cash equivalents			
Cash and cash equivalents			
Restricted security deposits held for customers			
Restricted security deposits held for customers			
Restricted security deposits held for customers			
Investments	Investments	602	400
Accounts receivable	Accounts receivable	3,925	3,425
Settlement assets	Settlement assets	1,118	1,270
Restricted security deposits held for customers		1,824	1,568
Prepaid expenses and other current assets	Prepaid expenses and other current assets	2,624	2,346
Total current assets	**Total current assets**	**16,983**	**16,606**
Property, equipment and right-of-use assets, net of accumulated depreciation and amortization of $2,140 and $1,904, respectively		1,972	2,006
Property, equipment and right-of-use assets, net of accumulated depreciation and amortization of $2,304 and $2,237, respectively			
Deferred income taxes	Deferred income taxes	1,370	1,151
Goodwill	Goodwill	7,488	7,522
Other intangible assets, net of accumulated amortization of $2,137 and $1,960, respectively		4,022	3,859
Other intangible assets, net of accumulated amortization of $2,284 and $2,209, respectively			
Other assets	Other assets	7,839	7,580
Total Assets	**Total Assets**	**$ 39,674**	**$ 38,724**

Liabilities, Redeemable Non-controlling Interests and Equity	**Liabilities, Redeemable Non-controlling Interests and Equity**		
Current liabilities:	Current liabilities:		

Current liabilities:
Current liabilities:
Accounts payable
Accounts payable

Accounts payable	Accounts payable	$ 589	$ 926
Settlement obligations	Settlement obligations	992	1,111
Restricted security deposits held for customers	Restricted security deposits held for customers	1,824	1,568
Accrued litigation	Accrued litigation	475	1,094
Accrued expenses	Accrued expenses	7,775	7,801
Short-term debt	Short-term debt	1,337	274
Other current liabilities	Other current liabilities	1,527	1,397
Total current liabilities	**Total current liabilities**	**14,519**	**14,171**
Long-term debt	Long-term debt	14,229	13,749
Deferred income taxes	Deferred income taxes	385	393
Other liabilities	Other liabilities	4,160	4,034
Total Liabilities	**Total Liabilities**	**33,293**	**32,347**
Commitments and Contingencies	**Commitments and Contingencies**		

Commitments and Contingencies

Redeemable Non-controlling Interests	**Redeemable Non-controlling Interests**	**21**	**21**
Stockholders' Equity	**Stockholders' Equity**		
Class A common stock, $0.0001 par value; authorized 3,000 shares, 1,401 and 1,399 shares issued and 932 and 948 shares outstanding, respectively		—	—
Class B common stock, $0.0001 par value; authorized 1,200 shares, 7 and 8 shares issued and outstanding, respectively		—	—

Class A common stock, $0.0001 par value; authorized 3,000 shares, 1,403 and 1,402 shares issued and 924 and 927 shares outstanding, respectively			
Class A common stock, $0.0001 par value; authorized 3,000 shares, 1,403 and 1,402 shares issued and 924 and 927 shares outstanding, respectively			
Class A common stock, $0.0001 par value; authorized 3,000 shares, 1,403 and 1,402 shares issued and 924 and 927 shares outstanding, respectively			
Class B common stock, $0.0001 par value; authorized 1,200 shares, 7 shares issued and outstanding			
Additional paid-in-capital	Additional paid-in-capital	5,791	5,298
Class A treasury stock, at cost, 470 and 451 shares, respectively		(58,573)	(51,354)
Class A treasury stock, at cost, 479 and 475 shares, respectively			
Retained earnings	Retained earnings	60,390	53,607
Accumulated other comprehensive income (loss)	Accumulated other comprehensive income (loss)	(1,297)	(1,253)
Mastercard Incorporated Stockholders' Equity	**Mastercard Incorporated Stockholders' Equity**	**6,311**	**6,298**
Non-controlling interests	Non-controlling interests	49	58
Total Equity	**Total Equity**	**6,360**	**6,356**
Total Liabilities, Redeemable Non-controlling Interests and Equity	**Total Liabilities, Redeemable Non-controlling Interests and Equity**	**$ 39,674**	**$ 38,724**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity (Unaudited)

Stockholders' Equity
Stockholders' Equity
Stockholders' Equity

Common Stock
Common Stock
Common Stock

Class A | Additional Paid-In Capital | Class A Treasury Stock | Retained Earnings | Accumulated Other Comprehensive Income (Loss) | Mastercard Incorporated Stockholders' Equity | Non Control Interes

(in millions)
(in millions)
(in millions)

Three Months Ended September 30, 2023

	Stockholders' Equity								
	Common Stock								
	Class A	Class B	Additional Paid-In Capital	Class A Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Mastercard Incorporated Stockholders' Equity	Non-Controlling Interests	Total Equity
	(in millions)								
Three Months Ended March 31, 2024									
Balance at June 30, 2023	$ —	$ —	$ 5,622	$ (56,659)	$ 57,730	$ (1,189)	$ 5,504	$ 53	$ 5,557
Three Months Ended March 31, 2024									
Three Months Ended March 31, 2024									
Balance at beginning of period									
Balance at beginning of period									
Balance at beginning of period									
Net income	—	—	—	—	3,198	—	3,198	—	3,198
Activity related to non-controlling interests	—	—	—	—	—	—	—	(4)	(4)
Redeemable non-controlling interest adjustments									
Redeemable non-controlling interest adjustments									
Redeemable non-controlling interest adjustments	—	—	—	—	(2)	—	(2)	—	(2)
Other comprehensive income (loss)	—	—	—	—	—	(108)	(108)	—	(108)
Dividends	—	—	—	—	(536)	—	(536)	—	(536)
Purchases of treasury stock	—	—	—	(1,915)	—	—	(1,915)	—	(1,915)

Share-based payments	—	—	169	1	—	—	170	—	170
Balance at September 30, 2023	**$ —**	**$ —**	**$ 5,791**	**$ (58,573)**	**$ 60,390**	**$ (1,297)**	**$ 6,311**	**$ 49**	**$ 6,360**
Balance at end of period									

	Nine Months Ended September 30, 2023								
	Stockholders' Equity								
	Common Stock								
	Class A	Class B	Additional Paid-In Capital	Class A Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Mastercard Incorporated Stockholders' Equity	Non-Controlling Interests	Total Equity
	(in millions)								
Balance at December 31, 2022	**$ —**	**$ —**	**$ 5,298**	**$ (51,354)**	**$ 53,607**	**$ (1,253)**	**$ 6,298**	**$ 58**	**$ 6,356**
Three Months Ended March 31, 2023									
Three Months Ended March 31, 2023									
Three Months Ended March 31, 2023									
Balance at beginning of period									
Balance at beginning of period									
Balance at beginning of period									
Net income	—	—	—	—	8,404	—	8,404	—	8,404
Activity related to non-controlling interests	—	—	—	—	—	—	—	(9)	(9)
Redeemable non-controlling interest adjustments	—	—	—	—	(6)	—	(6)	—	(6)
Other comprehensive income (loss)	—	—	—	—	—	(44)	(44)	—	(44)
Dividends	—	—	—	—	(1,615)	—	(1,615)	—	(1,615)
Purchases of treasury stock	—	—	—	(7,232)	—	—	(7,232)	—	(7,232)
Share-based payments	—	—	493	13	—	—	506	—	506
Balance at September 30, 2023	**$ —**	**$ —**	**$ 5,791**	**$ (58,573)**	**$ 60,390**	**$ (1,297)**	**$ 6,311**	**$ 49**	**$ 6,360**
Balance at end of period									

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity (Unaudited) - (Continued)

	Three Months Ended September 30, 2022								
	Stockholders' Equity								
	Common Stock		Additional Paid-In Capital	Class A Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Mastercard Incorporated Stockholders' Equity	Non-Controlling Interests	Total Equity
	Class A	Class B							
	(in millions)								
Balance at June 30, 2022	**$ —**	**$ —**	**$ 5,163**	**$ (47,359)**	**$ 49,599**	**$ (1,232)**	**$ 6,171**	**$ 65**	**$ 6,236**
Net income	—	—	—	—	2,499	—	2,499	—	2,499
Activity related to non-controlling interests	—	—	—	—	—	—	—	(3)	(3)
Redeemable non-controlling interest adjustments	—	—	—	—	(1)	—	(1)	—	(1)
Other comprehensive income (loss)	—	—	—	—	—	(385)	(385)	—	(385)
Dividends	—	—	—	—	(472)	—	(472)		(472)
Purchases of treasury stock	—	—	—	(1,557)	—	—	(1,557)	—	(1,557)
Share-based payments	—	—	106	—	—	—	106	—	106
Balance at September 30, 2022	**$ —**	**$ —**	**$ 5,269**	**$ (48,916)**	**$ 51,625**	**$ (1,617)**	**$ 6,361**	**$ 62**	**$ 6,423**

	Nine Months Ended September 30, 2022								
	Stockholders' Equity								
	Common Stock		Additional Paid-In Capital	Class A Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Mastercard Incorporated Stockholders' Equity	Non-Controlling Interests	Total Equity
	Class A	Class B							
	(in millions)								
Balance at December 31, 2021	**$ —**	**$ —**	**$ 5,061**	**$ (42,588)**	**$ 45,648**	**$ (809)**	**$ 7,312**	**$ 71**	**$ 7,383**
Net income	—	—	—	—	7,405	—	7,405	—	7,405
Activity related to non-controlling interests	—	—	—	—	—	—	—	(9)	(9)
Redeemable non-controlling interest adjustments	—	—	—	—	(5)	—	(5)	—	(5)
Other comprehensive income (loss)	—	—	—	—	—	(808)	(808)	—	(808)
Dividends	—	—	—	—	(1,423)	—	(1,423)	—	(1,423)
Purchases of treasury stock	—	—	—	(6,333)	—	—	(6,333)	—	(6,333)
Share-based payments	—	—	208	5	—	—	213	—	213
Balance at September 30, 2022	**$ —**	**$ —**	**$ 5,269**	**$ (48,916)**	**$ 51,625**	**$ (1,617)**	**$ 6,361**	**$ 62**	**$ 6,423**

Consolidated Statement of Cash Flows (Unaudited)

	Three Months Ended March 31,	
	2024	2023
	(in millions)	
Operating Activities		
Net income	$ 3,011	$ 2,361
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of customer incentives	411	378
Depreciation and amortization	216	191
(Gains) losses on equity investments, net	(6)	212
Share-based compensation	108	108
Deferred income taxes	3	(129)
Other	32	2
Changes in operating assets and liabilities:		

Accounts receivable	(219)	(38)
Settlement assets	(417)	35
Prepaid expenses	(1,490)	(761)
Accrued litigation and legal settlements	(127)	9
Restricted security deposits held for customers	16	40
Accounts payable	(21)	(184)
Settlement obligations	430	(241)
Accrued expenses	(446)	(506)
Net change in other assets and liabilities	171	442
Net cash provided by operating activities	**1,672**	**1,919**
Investing Activities		
Purchases of investment securities available-for-sale	(95)	(50)
Purchases of investments held-to-maturity	(66)	(26)
Proceeds from sales of investment securities available-for-sale	22	4
Proceeds from maturities of investment securities available-for-sale	67	51
Proceeds from maturities of investments held-to-maturity	284	24
Purchases of property and equipment	(157)	(110)
Capitalized software	(221)	(242)
Purchases of equity investments	(8)	(22)
Proceeds from sales of equity investments	—	44
Other investing activities	—	(70)
Net cash used in investing activities	**(174)**	**(397)**
Financing Activities		
Purchases of treasury stock	(1,992)	(2,878)
Dividends paid	(616)	(545)
Proceeds from debt, net	—	1,489
Tax withholdings related to share-based payments	(170)	(76)
Cash proceeds from exercise of stock options	97	53
Other financing activities	—	2
Net cash used in financing activities	**(2,681)**	**(1,955)**
Effect of exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(95)	37
Net decrease in cash, cash equivalents, restricted cash and restricted cash equivalents	**(1,278)**	**(396)**
Cash, cash equivalents, restricted cash and restricted cash equivalents - beginning of period	10,465	9,196
Cash, cash equivalents, restricted cash and restricted cash equivalents - end of period	**$ 9,187**	**$ 8,800**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows (Unaudited)

	Nine Months Ended September 30,	
	2023	**2022**
	(in millions)	
Operating Activities		
Net income	$ 8,404	$ 7,405
Adjustments to reconcile net income to net cash provided by operating activities:		

Amortization of customer and merchant incentives	1,196	1,197
Depreciation and amortization	594	566
(Gains) losses on equity investments, net	95	133
Share-based compensation	374	273
Deferred income taxes	(239)	(589)
Other	88	40
Changes in operating assets and liabilities:		
Accounts receivable	(484)	(326)
Settlement assets	151	298
Prepaid expenses	(1,837)	(1,472)
Accrued litigation and legal settlements	(621)	249
Restricted security deposits held for customers	240	(342)
Accounts payable	(319)	(91)
Settlement obligations	(119)	146
Accrued expenses	43	638
Net change in other assets and liabilities	284	(30)
Net cash provided by operating activities	7,850	8,095
Investing Activities		
Purchases of investment securities available-for-sale	(244)	(192)
Purchases of investments held-to-maturity	(327)	(174)
Proceeds from sales of investment securities available-for-sale	72	28
Proceeds from maturities of investment securities available-for-sale	155	156
Proceeds from maturities of investments held-to-maturity	116	194
Purchases of property and equipment	(294)	(312)
Capitalized software	(525)	(446)
Purchases of equity investments	(61)	(62)
Proceeds from sales of equity investments	44	7
Acquisition of businesses, net of cash acquired	—	(313)
Other investing activities	(73)	(6)
Net cash used in investing activities	(1,137)	(1,120)
Financing Activities		
Purchases of treasury stock	(7,200)	(6,339)
Dividends paid	(1,624)	(1,430)
Proceeds from debt, net	1,554	1,127
Tax withholdings related to share-based payments	(81)	(137)
Cash proceeds from exercise of stock options	213	77
Other financing activities	—	(12)
Net cash used in financing activities	(7,138)	(6,714)
Effect of exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(29)	(387)
Net decrease in cash, cash equivalents, restricted cash and restricted cash equivalents	(454)	(126)
Cash, cash equivalents, restricted cash and restricted cash equivalents - beginning of period	9,196	9,902
Cash, cash equivalents, restricted cash and restricted cash equivalents - end of period	$ 8,742	$ 9,776

The accompanying notes are an integral part of these consolidated financial statements.

Notes to consolidated financial statements (unaudited)

Note 1. Summary of Significant Accounting Policies

Organization

Mastercard Incorporated and its consolidated subsidiaries, including Mastercard International Incorporated ("Mastercard International" and together with Mastercard Incorporated, "Mastercard" or the "Company"), is a global technology company in the global payments industry. Mastercard connects consumers, financial institutions, merchants, governments, digital partners, businesses and other organizations worldwide by enabling electronic forms of payment instead of cash and checks payments and making those payment transactions safe, simple, smart and accessible.

Consolidation and Basis of Presentation

The consolidated financial statements include the accounts of Mastercard and its majority-owned and controlled entities, including any variable interest entities ("VIEs") for which the Company is the primary beneficiary. Investments in VIEs for which the Company is not considered the primary beneficiary are not consolidated and are accounted for as marketable, equity method or measurement alternative method investments and recorded in other assets on the consolidated balance sheet. At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, there were no significant VIEs which required consolidation and the investments were not considered material to the consolidated financial statements. The Company consolidates acquisitions as of the date the Company has obtained a controlling financial interest. Intercompany transactions and balances have been eliminated in consolidation. During the fourth quarter of 2022, the Company updated its disaggregated net revenue presentation by category and geography to reflect the nature of its payment services and to align such information with the way in which management views its categories of net revenue. Prior Certain prior period amounts have been reclassified to conform to the 2022 2024 presentation. The reclassification had no impact on previously reported total net revenue, operating income or net income. The Company follows accounting principles generally accepted in the United States of America ("GAAP").

The balance sheet as of December 31, 2022 December 31, 2023 was derived from the audited consolidated financial statements as of December 31, 2022 December 31, 2023. The consolidated financial statements for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 and as of September 30, 2023 March 31, 2024 are unaudited, and in the opinion of management, include all normal recurring adjustments that are necessary to present fairly the results for interim periods. The results of operations for the three and nine months ended September 30, 2023 March 31, 2024 are not necessarily indicative of the results to be expected for the full year.

The accompanying unaudited consolidated financial statements are presented in accordance with the U.S. Securities and Exchange Commission ("SEC") requirements for Quarterly Reports on Form 10-Q. Reference should be made to Mastercard's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 for additional disclosures, including a summary of the Company's significant accounting policies.

Note 2. Acquisitions Revenue

The Company's disaggregated net revenue by category and geographic region were as follows:

	Three Months Ended March 31,	
	2024	2023
	(in millions)	
Net revenue by category:		
Payment network	$ 3,920	$ 3,650
Value-added services and solutions	2,428	2,098
Net revenue	**$ 6,348**	**$ 5,748**
Net revenue by geographic region:		
Americas [1]	$ 2,773	$ 2,537
Asia Pacific, Europe, Middle East and Africa	3,575	3,211
Net revenue	**$ 6,348**	**$ 5,748**

1

In April 2022, Mastercard acquired 100% equity interest in Dynamic Yield LTD. As of March 31, 2023, Americas includes the Company finalized the purchase price accounting of $325 million for this acquisition. The final fair value of the purchase price allocation was not materially different than the preliminary estimated fair value. For the preliminary estimated fair value of the purchase price allocation as of the acquisition date, refer United States, Canada and Latin America. Prior period amounts have been reclassified to Note 2 (Acquisitions) conform to the consolidated financial statements included in Part II, Item 8 of the Company's Annual Report on Form 10-K for the year ended December 31, 2022. new presentation.

Note 3. Revenue

The Company's disaggregated net revenue by category and geographic region were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in millions)			
Net revenue by category:				
Payment network	$ 4,210	$ 3,765	$ 11,933	$ 10,773

Value-added services and solutions		2,323		1,991		6,617		5,647
Net revenue	**$**	**6,533**	**$**	**5,756**	**$**	**18,550**	**$**	**16,420**
Net revenue by geographic region:								
North American Markets [1]	$	2,109	$	2,031	$	6,143	$	5,769
International Markets		4,424		3,725		12,407		10,651
Net revenue	**$**	**6,533**	**$**	**5,756**	**$**	**18,550**	**$**	**16,420**

1 North American Markets includes the United States and Canada, excluding the U.S. Territories.

The Company's customers are generally billed weekly, with certain billings occurring on a monthly and quarterly basis. The frequency of billing is dependent upon the nature of the performance obligation and the underlying contractual terms. The Company does not typically offer extended payment terms to customers. The following table sets forth the location of the amounts recognized on the consolidated balance sheet from contracts with customers:

		September 30, 2023	December 31, 2022
		(in millions)	
		March 31, 2024	
		(in millions)	
		March 31, 2024	**December 31, 2023**
			(in millions)
Receivables from contracts with customers	Receivables from contracts with customers		
Accounts receivable	Accounts receivable	$ 3,666	$ 3,213
Accounts receivable			
Accounts receivable			
Contract assets	Contract assets		
Prepaid expenses and other current assets			
Prepaid expenses and other current assets			
Prepaid expenses and other current assets	Prepaid expenses and other current assets	105	118
Other assets	Other assets	390	442
Deferred revenue [1]	Deferred revenue [1]		
Other current liabilities	Other current liabilities	548	434
Other current liabilities			
Other current liabilities			
Other liabilities	Other liabilities	300	248

1 Revenue recognized from performance obligations satisfied during the three and nine months ended September 30, 2023 March 31, 2024 was $533 million and $1,362 million, respectively. $510 million.

Note 4. 3. Earnings Per Share

The components of basic and diluted earnings per share ("EPS") for common shares were as follows:

		Three Months Ended September 30,		Nine Months Ended September 30,			
		2023	2022	2023	2022		
		(in millions, except per share data)					
		Three Months Ended March 31,					
		Three Months Ended March 31,					
		Three Months Ended March 31,					
		2024				2024	2023
		(in millions, except per share data)					(in millions, except per share data)
Numerator	**Numerator**						
Net income	Net income	$ 3,198	$ 2,499	$ 8,404	$ 7,405		
Net income							
Net income							
Denominator	**Denominator**						
Basic weighted-average shares outstanding							
Basic weighted-average shares outstanding							
Basic weighted-average shares outstanding	Basic weighted-average shares outstanding	941	965	947	971		
Dilutive stock options and stock units	Dilutive stock options and stock units	2	3	2	3		
Diluted weighted-average shares outstanding [1]	Diluted weighted-average shares outstanding [1]	943	968	949	974		
Earnings per Share	**Earnings per Share**						
Basic	Basic	$ 3.40	$ 2.59	$ 8.88	$ 7.63		
Basic							
Basic							
Diluted	Diluted	$ 3.39	$ 2.58	$ 8.85	$ 7.60		

Note: Table may not sum due to rounding.

[1] For the periods presented, the calculation of diluted EPS excluded a minimal amount of anti-dilutive share-based payment awards.

Note 5. 4. Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents

The following table provides the components of cash, cash equivalents, restricted cash and restricted cash equivalents reported on the consolidated balance sheet that total to the amounts shown on the consolidated statement of cash flows.

	September 30, 2023	December 31, 2022

		(in millions)			
		March 31, 2024		March 31, 2024	December 31, 2023
		(in millions)			(in millions)
Cash and cash equivalents	Cash and cash equivalents	$	6,890	$	7,008
Restricted cash and restricted cash equivalents	Restricted cash and restricted cash equivalents				
Restricted cash for litigation settlement [1]			—		589
Restricted security deposits held for customers					
Restricted security deposits held for customers					
Restricted security deposits held for customers	Restricted security deposits held for customers		1,824		1,568
Prepaid expenses and other current assets	Prepaid expenses and other current assets		28		31
Cash, cash equivalents, restricted cash and restricted cash equivalents					
Cash, cash equivalents, restricted cash and restricted cash equivalents					
Cash, cash equivalents, restricted cash and restricted cash equivalents	Cash, cash equivalents, restricted cash and restricted cash equivalents	**$**	**8,742**	**$**	**9,196**

1 12 During the three months ended September 30, 2023, the Company reduced its Restricted cash for litigation settlement balance by $600 million, including accrued interest, as a settlement became final in August 2023. See Note 15 (Legal and Regulatory Proceedings) for additional information regarding the Company's restricted cash for litigation settlement.

Note 6. 5. Investments

The Company's investments on the consolidated balance sheet include both available-for-sale and held-to-maturity debt securities (see Investments section below). The Company classifies its Company's strategic investments in equity securities of publicly traded and privately held companies are classified within other assets on the consolidated balance sheet (see Equity Investments section below).

Investments

Investments on the consolidated balance sheet consisted of the following:

	September 30, 2023	December 31, 2022
	(in millions)	
Available-for-sale securities [1]	$ 276	$ 272
Held-to-maturity securities [2]	326	128
Total investments	**$ 602**	**$ 400**

	March 31, 2024	December 31, 2023
	(in millions)	
Available-for-sale securities	$ 283	$ 286
Held-to-maturity securities [1]	81	306
Total investments	**$ 364**	**$ 592**

1 See Available-for-Sale Securities section below for further detail.

2 Held-to-maturity securities represent investments in time deposits that mature within one year. The cost of these securities approximates fair value.

Investment income on the consolidated statement of operations primarily consists of interest income generated from cash, cash equivalents, held-to maturity and available-for-sale investment securities, as well as realized gains and losses on the Company's investment securities. The realized gains and losses from the sales of available-for-sale securities for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 were not material.

Available-for-Sale Securities

The major classes of the Company's available-for-sale investment securities and their respective amortized cost basis and fair values were as follows:

		September 30, 2023				December 31, 2022				March 31, 2024				December 31, 2023			
		Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value
		(in millions)															
		(in millions)												(in millions)			
Government and agency securities	Government and agency securities	$ 93	$ —	$ (1)	$ 92	$ 91	$ —	$ (2)	$ 89								
Corporate securities	Corporate securities	186	—	(2)	184	187	—	(4)	183								
Total	Total	**$ 279**	**$ —**	**$ (3)**	**$ 276**	**$ 278**	**$ —**	**$ (6)**	**$ 272**								

The Company's government and agency securities include U.S. government bonds, U.S. government sponsored agency bonds and foreign government bonds which are denominated in the national currency of the issuing country. Corporate available-for-sale investment securities held at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, primarily carried a credit rating of A- or better. Corporate securities are comprised of commercial paper and corporate bonds. The gross unrealized gains and losses on the available-for-sale securities are primarily driven by changes in interest rates. For the available-for-sale securities in gross unrealized loss positions, the Company (1) does not intend to sell the securities, (2) more likely than not, will not be required to sell the securities before recovery of the unrealized losses, and (3) expects that the contractual principal and interest will be received. Unrealized gains and losses are recorded as a separate component of other comprehensive income (loss) on the consolidated statement of comprehensive income.

The maturity distribution based on the contractual terms of the Company's available-for-sale investment securities at September 30, 2023 March 31, 2024 was as follows:

		Amortized Cost	Fair Value	Amortized Cost	Fair Value
		(in millions)		(in millions)	
Due within 1 year	Due within 1 year	$ 161	$ 160		

Due after 1 year through 5 years	Due after 1 year through 5 years	118	116
Total	Total	**$ 279**	**$ 276**
Total			
Total			

Equity Investments

Included in other assets on the consolidated balance sheet are equity investments with readily determinable fair values ("Marketable securities") and equity investments without readily determinable fair values ("Nonmarketable securities"). Marketable securities are equity interests in publicly traded companies and are measured using unadjusted quoted prices in their respective active markets. Nonmarketable securities that do not qualify for equity method accounting are measured at cost, less any impairment and adjusted for changes resulting from observable price changes in orderly transactions for the identical or similar investments of the same issuer ("Measurement alternative").

The following table is a summary of the activity related to the Company's equity investments:

		Balance at December 31, 2022	Purchases	Sales	Changes in Fair Value [1]	Other [2]	Balance at September 30, 2023	Balance at December 31, 2023	Purchases	Sales	Changes in Fair Value [1]	Other [2]	Balance at March 31, 2024
		(in millions)											
		(in millions)											(in millions)
Marketable securities	Marketable securities	$ 399	$ —	$ —	$ 58	$ —	$ 457						
Nonmarketable securities	Nonmarketable securities	1,331	61	(44)	(153)	(2)	1,193						
Total equity investments	Total equity investments	**$ 1,730**	**$ 61**	**$ (44)**	**$ (95)**	**$ (2)**	**$ 1,650**						

1 Recorded in gains (losses) on equity investments, net on the consolidated statement of operations.

2 Includes translational impact of currency.

The following table sets forth the components of the Company's Nonmarketable securities:

		September 30, 2023	December 31, 2022	March 31, 2024	March 31, 2024	December 31, 2023
		(in millions)				
		(in millions)				(in millions)
Measurement alternative	Measurement alternative	$ 985	$ 1,087			
Equity method	Equity method	208	244			

Total Nonmarketable securities	Total Nonmarketable securities	**$ 1,193**	**$ 1,331**

The following table summarizes the total carrying value of the Company’s Measurement alternative investments, including cumulative unrealized gains and losses through September 30, 2023 March 31, 2024:

		(in millions)
Initial cost basis	$	534 558
Cumulative adjustments [1]:		
Upward adjustments		629 636
Downward adjustments (including impairment)		(178) (181)
Carrying amount, end of period	**$**	**985 1,013**

1 Includes immaterial translational impact of currency.

The following table summarizes the unrealized gains and losses included in the carrying value of the Company’s Measurement alternative investments and Marketable securities:

		Three Months Ended September 30,		**Nine Months Ended September 30,**	
		2023	**2022**	**2023**	**2022**
		(in millions)			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		2024	**2024**	**2023**	
		(in millions)		**(in millions)**	
Measurement alternative investments:	Measurement alternative investments:				
Upward adjustments					
Upward adjustments					
Upward adjustments	Upward adjustments	$ 1	$ 4	$ 7	$ 107
Downward adjustments (including impairment)	Downward adjustments (including impairment)	(7)	—	(142)	(12)
Marketable securities:	Marketable securities:				
Unrealized gains (losses), net	Unrealized gains (losses), net	3	79	58	(209)
Unrealized gains (losses), net					

Unrealized gains (losses), net

Note 7. 6. Fair Value Measurements

The Company's financial instruments are carried at fair value, cost or amortized cost on the consolidated balance sheet. The Company classifies its fair value measurements of financial instruments into a three-level hierarchy (the "Valuation Hierarchy").

Financial Instruments - Carried at Fair Value

Financial instruments carried at fair value are categorized for fair value measurement purposes as recurring or non-recurring in nature.

Recurring Measurements

The distribution of the Company's financial instruments measured at fair value on a recurring basis within the Valuation Hierarchy were as follows:

	September 30, 2023				December 31, 2022			
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(in millions)							
Assets								
Investment securities available-for-sale [1]:								
Government and agency securities	$ 37	$ 55	$ —	$92	$ 35	$ 54	$ —	$89
Corporate securities	—	184	—	184	—	183	—	183
Derivative instruments [2]:								
Foreign exchange contracts	—	120	—	120	—	108	—	108

	March 31, 2024				December 31, 2023	
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)
	(in millions)					
Investment securities available-for-sale [1]:						
Investment securities available-for-sale [1]:						
Government and agency securities						
Government and agency securities						
Foreign exchange contracts						
Foreign exchange contracts						

Marketable securities [3]:	**Marketable securities [3]:**								
Marketable securities [3]:									
Marketable securities [3]:									
Equity securities									
Equity securities									
Equity securities	Equity securities	457	—	—	457	399	—	—	399
Deferred compensation plan [4]:	**Deferred compensation plan [4]:**								
Deferred compensation assets	Deferred compensation assets	84	—	—	84	74	—	—	74
Deferred compensation assets									
Deferred compensation assets									
Liabilities	**Liabilities**								
Liabilities									
Liabilities									
Derivative instruments [2]:	**Derivative instruments [2]:**								
Derivative instruments [2]:									
Derivative instruments [2]:									
Foreign exchange contracts									
Foreign exchange contracts									
Foreign exchange contracts	Foreign exchange contracts	$ —	$ 22	$ —	$22	$ —	$ 21	$ —	$21
Interest rate contracts	Interest rate contracts	—	109	—	109	—	105	—	105
Deferred compensation plan [5]:	**Deferred compensation plan [5]:**								
Deferred compensation liabilities	Deferred compensation liabilities	83	—	—	83	73	—	—	73
Deferred compensation liabilities									
Deferred compensation liabilities									

1 The Company's U.S. government securities are classified within Level 1 of the Valuation Hierarchy as the fair values are based on unadjusted quoted prices for identical assets in active markets. The fair value of the Company's available-for-sale non-U.S. government and agency securities and corporate securities are based on observable inputs such as quoted prices, benchmark yields and issuer spreads for similar assets in active markets and are therefore included in Level 2 of the Valuation Hierarchy.

2 The Company's foreign exchange and interest rate derivative asset and liability contracts have been classified within Level 2 of the Valuation Hierarchy as the measured at fair value is are based on observable inputs such as broker quotes for similar derivative instruments. See Note 17 15 (Derivative and Hedging Instruments) for further details.

3 The Company's Marketable securities are publicly held and classified within Level 1 of the Valuation Hierarchy as the fair values are based on unadjusted quoted prices in their respective active markets.

4 The Company has a nonqualified deferred compensation plan where assets are invested primarily in mutual funds held in a rabbi trust, which is restricted for payments to participants of the plan. The Company has elected to use the fair value option for these mutual funds, and are classified within Level 1 of the Valuation Hierarchy, which are measured using quoted prices of identical instruments in active markets and are included in prepaid expenses and other current assets on the consolidated balance sheet.

5 The deferred compensation liabilities are classified within Level 1 of the Valuation Hierarchy as the measured at fair value is measured based on the quoted prices of identical instruments to the investment vehicles selected by the participants. These are included in other liabilities on the consolidated balance sheet.

Nonrecurring Measurements

Nonmarketable Securities

The Company's Nonmarketable securities are recorded at fair value on a nonrecurring basis in periods after initial recognition under the equity method or measurement alternative method. Nonmarketable securities are classified within Level 3 of the Valuation Hierarchy due to the absence of quoted market prices, the inherent lack of liquidity and unobservable inputs used to measure fair value that require management's judgment. The Company uses discounted cash flows and market assumptions to estimate the fair value of its Nonmarketable securities when certain events or circumstances indicate that impairment may exist. See Note 6 5 (Investments) for further details.

Financial Instruments - Not Carried at Fair Value

Debt

Debt instruments are carried on the consolidated balance sheet at amortized cost. The Company estimates the fair value of its debt based on either market quotes or observable market data. Debt is classified as Level 2 of the Valuation Hierarchy as it is generally not traded in active markets. At September 30, 2023 March 31, 2024, the carrying value and fair value of debt was $15.6 billion and $13.8 billion $14.4 billion, respectively. At December 31, 2022 December 31, 2023, the carrying value and fair value of debt was $14.0 billion $15.7 billion and $12.7 billion $14.7 billion, respectively. See Note 10 15 (Debt) to the consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2023 for further details.

Other Financial Instruments

Certain other financial instruments are carried on the consolidated balance sheet at cost or amortized cost basis, which approximates fair value due to their short-term, highly liquid nature. These instruments include cash and cash equivalents, restricted cash, time deposits, accounts receivable, settlement assets, restricted security deposits held for customers, cash and restricted cash equivalents, accounts payable, settlement obligations and other accrued liabilities.

Note 8. 7. Prepaid Expenses and Other Assets

Prepaid expenses and other current assets consisted of the following:

	March 31, 2024	March 31, 2024	December 31, 2023
	(in millions)		(in millions)
Customer incentives			

		September 30, 2023	December 31, 2022
		(in millions)	
Customer and merchant incentives		$ 1,533	$ 1,392
Prepaid income taxes		24	34
Other			
Other			
Other	Other	1,067	920
Total prepaid expenses and other current assets	Total prepaid expenses and other current assets	**$ 2,624**	**$ 2,346**

Other assets consisted of the following:

	September 30, 2023	December 31, 2022
	(in millions)	

	March 31, 2024	December 31, 2023
	(in millions)	
Customer and merchant incentives	$ 4,917	$ 4,578
Customer incentives		
Equity investments	1,650	1,730
Income taxes receivable	654	633
Other	618	639
Total other assets	$ 7,839	$ 7,580

Customer and merchant incentives represent payments made to customers and merchants under business agreements. Payments made directly related to entering into such an agreement are generally capitalized and amortized over the life of the agreement.

Note 9. 8. Accrued Expenses and Accrued Litigation

Accrued expenses consisted of the following:

	March 31, 2024	December 31, 2023	September 30, 2023	December 31, 2022
	(in millions)		(in millions)	
Customer and merchant incentives			$ 5,667	$ 5,600
Customer incentives				
Personnel costs			996	1,322
Income and other taxes			555	279
Other			557	600
Total accrued expenses			$ 7,775	$ 7,801

Customer and merchant incentives represent amounts to be paid to customers under business agreements. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, long-term customer and merchant incentives included in other liabilities were $2,542 million $2,765 million and $2,293 million $2,777 million, respectively.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company's provision for litigation was $475 million $595 million and $1,094 million $723 million, respectively. These amounts are not included in the accrued expenses table above and are separately reported as accrued litigation on the consolidated balance sheet. The decrease during the nine months ended September 30, 2023 is primarily due to a $600 million decrease in the Company's provision for litigation after a settlement became final in August 2023. See Note 15 13 (Legal and Regulatory Proceedings) for additional information regarding the Company's accrued litigation.

Note 10. Debt

Debt consisted of the following:

		September 30, 2023	December 31, 2022	Effective Interest Rate
		(in millions)		
Senior Notes				
2023 USD Notes	4.875 % Senior Notes due March 2028	$ 750	$ —	5.003 %
	4.850 % Senior Notes due March 2033	750	—	4.923 %
2022 EUR Notes [1]	1.000 % Senior Notes due February 2029	794	800	1.138 %
2021 USD Notes	2.000 % Senior Notes due November 2031	750	750	2.112 %
	1.900 % Senior Notes due March 2031	600	600	1.981 %
	2.950 % Senior Notes due March 2051	700	700	3.013 %
2020 USD Notes	3.300 % Senior Notes due March 2027	1,000	1,000	3.420 %
	3.350 % Senior Notes due March 2030	1,500	1,500	3.430 %
	3.850 % Senior Notes due March 2050	1,500	1,500	3.896 %
2019 USD Notes	2.950 % Senior Notes due June 2029	1,000	1,000	3.030 %
	3.650 % Senior Notes due June 2049	1,000	1,000	3.689 %
	2.000 % Senior Notes due March 2025	750	750	2.147 %
2018 USD Notes	3.500 % Senior Notes due February 2028	500	500	3.598 %
	3.950 % Senior Notes due February 2048	500	500	3.990 %
2016 USD Notes	2.950 % Senior Notes due November 2026	750	750	3.044 %
	3.800 % Senior Notes due November 2046	600	600	3.893 %
2015 EUR Notes [2]	2.100 % Senior Notes due December 2027	846	854	2.189 %
	2.500 % Senior Notes due December 2030	159	160	2.562 %
2014 USD Notes	3.375 % Senior Notes due April 2024	1,000	1,000	3.484 %
Other Debt				
2023 INR Term Loan [3]	9.430 % Term Loan due July 2024	338	—	9.780 %
2022 INR Term Loan [4]	8.640 % Term Loan due July 2023	—	275	9.090 %
		15,787	**14,239**	
Less: Unamortized discount and debt issuance costs		(112)	(111)	
Less: Cumulative hedge accounting fair value adjustments [5]		(109)	(105)	
Total debt outstanding		**15,566**	**14,023**	
Less: Short-term debt [6]		(1,337)	(274)	
Long-term debt		**$ 14,229**	**$ 13,749**	

[1] €750 million euro-denominated debt issued in February 2022.

[2] €950 million euro-denominated debt remaining of the €1.650 billion issued in December 2015.

[3] INR28.1 billion Indian rupee-denominated loan issued in July 2023.

[4] INR22.7 billion Indian rupee-denominated loan issued in July 2022.

5 The Company has an interest rate swap which is accounted for as a fair value hedge. See Note 17 (Derivative and Hedging Instruments) for additional information.

6 The 2014 USD Notes due April 2024 and the INR Term Loan due July 2024 are classified as short-term debt on the consolidated balance sheet as of September 30, 2023. The 2022 INR Term Loan due July 2023 was classified as short-term debt on the consolidated balance sheet as of December 31, 2022.

Senior Notes

In March 2023, the Company issued $750 million principal amount of notes due March 2028 and $750 million principal amount of notes due March 2033 (collectively the “2023 USD Notes”). The net proceeds from the issuance of the 2023 USD Notes, after deducting the original issue discount, underwriting discount and offering expenses, were $1.489 billion.

The Senior Notes described above are not subject to any financial covenants and may be redeemed in whole, or in part, at the Company’s option at any time for a specified make-whole amount. These notes are senior unsecured obligations and would rank equally with any future unsecured and unsubordinated indebtedness.

Indian Rupee (“INR”) Term Loan

In July 2022, the Company entered into an unsecured INR22.7 billion term loan ($285 million as of the date of settlement) originally due July 2023 (the “2022 INR Term Loan”). The net proceeds of the 2022 INR Term Loan, after deducting issuance costs, were INR22.6 billion ($284 million as of the date of settlement).

In April 2023, the Company entered into an additional unsecured INR4.97 billion term loan, also originally due July 2023 (the “April 2023 INR Term Loan”). The stated interest rate and effective interest rate were 9.480% and 9.705%, respectively. The net proceeds of the April 2023 INR Term Loan, after deducting issuance costs, were INR4.96 billion ($61 million as of the date of settlement).

In July 2023, the Company modified and combined the 2022 INR Term Loan and April 2023 INR Term Loan (the “2023 INR Term Loan”), increasing the total unsecured loans to INR28.1 billion ($342 million as of the date of settlement). The 2023 INR Term Loan is due July 2024.

The Company obtained the INR Term Loans to serve as economic hedges to offset possible changes in the value of INR-denominated monetary assets due to foreign exchange fluctuations. The INR Term Loans are not subject to any financial covenants and they may be repaid in whole at the Company’s option at any time for a specified make-whole amount.

Note 11. 9. Stockholders' Equity

Dividends

The Company declared quarterly cash dividends on its Class A and Class B common stock as summarized below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in millions, except per share data)			
Dividends declared per share	$ 0.57	$ 0.49	$ 1.71	$ 1.47
Total dividends declared	$ 536	$ 472	$ 1,615	$ 1,423

	Three Months Ended March 31,	
	2024	2023
	(in millions, except per share data)	
Dividends declared per share	$ 0.66	$ 0.57
Total dividends declared	$ 615	$ 541

Common Stock Activity

The following table presents the changes in the Company’s outstanding Class A and Class B common stock:

	Three Months Ended September 30,			
	2023		2022	
	Outstanding Shares		Outstanding Shares	
	Class A	Class B	Class A	Class B
	(in millions)			
Balance at beginning of period	935.9	7.4	960.0	7.7
Purchases of treasury stock	(4.8)	—	(4.7)	—

Share-based payments	0.5	—	0.1	—
Conversion of Class B to Class A common stock	—	—	—	—
Balance at end of period	**931.6**	**7.4**	**955.4**	**7.7**

		Three Months Ended March 31,				Three Months Ended March 31,	
		2024				2024	2023
		Nine Months Ended September 30,					
		2023		2022			
		Outstanding Shares		Outstanding Shares		Outstanding Shares	
		Class A	Class B	Class A	Class B	Class A	Class B
		Class A	Class B				
		(in millions)					
		(in millions)					(in millions)
Balance at beginning of period	Balance at beginning of period	948.4	7.6	972.1	7.8		
Purchases of treasury stock	Purchases of treasury stock	(19.2)	—	(18.3)	—		
Share-based payments	Share-based payments	2.2	—	1.5	—		
Conversion of Class B to Class A common stock	Conversion of Class B to Class A common stock	0.2	(0.2)	0.1	(0.1)		
Balance at end of period	Balance at end of period	**931.6**	**7.4**	**955.4**	**7.7**		

In December 2022 2023 and November 2021, 2022, the Company's Board of Directors approved share repurchase programs of its Class A common stock authorizing the Company to repurchase up to $9.0 billion $11.0 billion and $8.0 billion $9.0 billion, respectively. The following table summarizes the Company's share repurchases of its Class A common stock:

	Nine Months Ended September 30,			
	2023	2022		
	(in millions, except per share data)			
	Three Months Ended March 31,		Three Months Ended March 31,	
	2024		2024	2023

	(in millions, except per share data)			(in millions, except per share data)
Dollar-value of shares repurchased [1]	Dollar-value of shares repurchased [1]	$ 7,200	$ 6,339	
Shares repurchased	Shares repurchased	19.2	18.3	
Average price paid per share	Average price paid per share	$ 375.34	$ 345.54	

[1] The dollar-value of shares repurchased does not include a 1% excise tax that became effective January 1, 2023. tax. The incremental tax is recorded in treasury stock on the consolidated balance sheet and is payable annually beginning in 2024. sheet.

As of September 30, 2023 March 31, 2024, the remaining authorization under the share repurchase programs approved by the Company's Board of Directors was $5.0 billion $12.2 billion.

Note 12. 10. Accumulated Other Comprehensive Income (Loss)

The changes in the balances of each component of accumulated other comprehensive income (loss), net of tax, for the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023 were as follows:

		December 31, 2022	Increase / (Decrease)	Reclassifications	September 30, 2023
		(in millions)			
		December 31, 2023 (in millions)			
		December 31, 2023	Increase / (Decrease)	Reclassifications	March 31, 2024
		(in millions)			
Foreign currency translation adjustments [1]	Foreign currency translation adjustments [1]	$ (1,414)	$ (105)	$ —	$ (1,519)
Translation adjustments on net investment hedges [2]	Translation adjustments on net investment hedges [2]	309	41	—	350
Cash flow hedges	Cash flow hedges				
Foreign exchange contracts [3]					
Foreign exchange contracts [3]					
Foreign exchange contracts [3]	Foreign exchange contracts [3]	(8)	(5)	18	5
Interest rate contracts	Interest rate contracts	(123)	—	4	(119)
Defined benefit pension and other postretirement plans	Defined benefit pension and other postretirement plans	(11)	—	—	(11)
Investment securities available-for-sale	Investment securities available-for-sale	(6)	3	—	(3)

Accumulated other comprehensive income (loss)	Accumulated other comprehensive income (loss)	**$ (1,253)**	**$ (66)**	**$ 22**	**$ (1,297)**

		December 31, 2021	Increase / (Decrease)	Reclassifications	September 30, 2022
			(in millions)		
		December 31, 2022	Increase / (Decrease)	Reclassifications	March 31, 2023
			(in millions)		
Foreign currency translation adjustments [1]	Foreign currency translation adjustments [1]	$ (739)	$ (1,412)	$ —	$ (2,151)
Translation adjustments on net investment hedges [2]	Translation adjustments on net investment hedges [2]	34	601	—	635
Cash flow hedges	Cash flow hedges				
Foreign exchange contracts [3]					
Foreign exchange contracts [3]					
Foreign exchange contracts [3]	Foreign exchange contracts [3]	4	16	(11)	9
Interest rate contracts	Interest rate contracts	(128)	—	4	(124)
Defined benefit pension and other postretirement plans	Defined benefit pension and other postretirement plans	21	—	(1)	20
Investment securities available-for-sale	Investment securities available-for-sale	(1)	(5)	—	(6)
Accumulated other comprehensive income (loss)	Accumulated other comprehensive income (loss)	**$ (809)**	**$ (800)**	**$ (8)**	**$ (1,617)**

1 During the nine three months ended September 30, 2023 March 31, 2024, the increase in the accumulated other comprehensive loss related to foreign currency translation adjustments was driven primarily by by the depreciation of the euro and British pound against the U.S. dollar. dollar. During the nine three months ended September 30, 2022 March 31, 2023, the increase decrease in the the accumulated other comprehensive comprehensive loss related related to foreign currency translation adjustments adjustments was driven primarily by the depreciation appreciation of the euro and British pound against the U.S. dollar.

2 During the nine three months ended September 30, 2023 March 31, 2024, the increase in the accumulated other comprehensive gain related to the net investment hedges was driven by the depreciation of the euro against the U.S. dollar. During the nine three months ended September 30, 2022 March 31, 2023, the increase decrease in the the accumulated other comprehensive gain related to the net investment hedges was driven by the depreciation appreciation of the euro against the U.S. dollar. See Note 17 15 (Derivative and Hedging Instruments) for additional information.

3 Certain foreign exchange derivative contracts are designated as cash flow hedging instruments. Gains and losses resulting from changes in the fair value of these contracts are deferred in accumulated other comprehensive income (loss) and subsequently reclassified to the consolidated statement of operations when the underlying hedged transactions impact earnings. See Note 17 15 (Derivative and Hedging Instruments) for additional information.

Note 13. 11. Share-Based Payments

During the nine three months ended September 30, 2023 March 31, 2024, the Company granted the following awards under the Mastercard Incorporated 2006 Long Term Incentive Plan, amended and restated as of June 22, 2021 (the "LTIP"). The LTIP is a stockholder-approved plan that permits the grant of various types of equity awards to employees.

		Grants in 2023 (in millions)	Weighted-Average Grant-Date Fair Value (per option/unit)		
		Grants in 2024 (in millions)		Grants in 2024 (in millions)	Weighted-Average Grant-Date Fair Value (per option/unit)
Non-qualified stock options	Non-qualified stock options	0.3	$ 123		
Restricted stock units	Restricted stock units	1.2	$ 350		
Performance stock units	Performance stock units	0.2	$ 365		

The Company uses the Black-Scholes option pricing model to determine the grant-date fair value of stock options and calculates the expected life and the expected volatility based on historical Mastercard information. The expected life of stock options granted in 2023 2024 was estimated to be six years, while the expected volatility was determined to be 29.6% 28.7%. These awards expire ten years from the date of grant and vest ratably over three years.

The fair value of restricted stock units ("RSUs") is determined and fixed on the grant date based on the Company's Class A common stock price, adjusted for the exclusion of dividend equivalents. For RSUs granted in 2023, the awards generally vest ratably over three years.

The Company uses the Monte Carlo simulation valuation model to determine the grant-date fair value of performance stock units ("PSUs") granted. PSUs vest after three years from the date of grant and are subject to a mandatory one-year deferral period, during which vested PSUs are eligible for dividend equivalents.

Compensation expense is recorded net of estimated forfeitures over the shorter of the vesting period or the date the individual becomes eligible to retire under the LTIP. The Company uses the straight-line method of attribution over the requisite service period for expensing equity awards.

Note 14. 12. Income Taxes

The effective income tax rates were 15.0% 15.4% and 18.6% 17.2% for the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively. The lower effective income tax rate for the three months ended September 30, 2023 March 31, 2024, versus the comparable period in 2022, 2023, was primarily due to a change in the Company's ability to now claim more U.S. foreign tax credits generated in 2022 and 2023 resulting from Notice 2023-55 (the "Notice"), released by the U.S. Department geographic mix of Treasury ("Treasury") in the current period, partially offset by a $115 million earnings as well as discrete tax expense to establish a valuation allowance on the deferred tax asset benefits related to U.S. foreign tax credits generated prior to 2022.

The effective income tax rates were 18.6% and 14.3% for the nine months ended September 30, 2023 and 2022, respectively. The higher effective income tax rate for the nine months ended September 30, 2023, versus the comparable period in 2022, was primarily due to changes in the valuation allowance associated with the deferred tax asset related to U.S. foreign tax credits. In 2022, the Company recognized a discrete tax benefit of $333 million to release the valuation allowance resulting from U.S. tax regulations published in the first quarter of 2022 (the "2022 Regulations"). In 2023, the treatment of foreign taxes paid under the 2022 Regulations changed due to the foreign tax legislation enacted in Brazil and the Notice released by Treasury. Therefore, the Company recognized a total $327 million discrete tax expense in 2023 to establish the valuation allowance. The discrete tax expense recognized in the nine months ended September 30, 2023 was partially offset by the Company's ability to now claim more U.S. foreign tax credits generated in 2022 and 2023 due to the Notice.

As of September 30, 2023, the deferred tax asset related to U.S. foreign tax credits and corresponding valuation allowance is $575 million due to foreign tax legislation enacted in Brazil and the Notice. The valuation allowance relates to the Company's ability to recognize future tax benefits associated with the carryforward of U.S. foreign tax credits generated in the current and prior periods. The recognition of the U.S. foreign tax credits is dependent upon the realization of future foreign source income in the appropriate foreign tax credit basket in accordance with U.S. federal income tax law. share-based payments.

The Company is subject to tax in the United States, Belgium, Singapore, the United Kingdom and various other foreign jurisdictions, as well as state and local jurisdictions. Uncertain tax positions are reviewed on an ongoing basis and are adjusted after considering facts and circumstances, including progress of tax audits, developments in case law and closing of statutes of limitation. Within the next twelve months, the Company believes that the resolution of certain federal, foreign and state and local examinations is reasonably possible and that a change in estimate, reducing unrecognized tax benefits, may occur. While such a change may be significant, it is not possible to provide a range of the potential change until the examinations progress further or the related statutes of limitation expire. The Company has effectively settled its U.S. federal income tax obligations through 2014. With limited exception, the Company is no longer subject to state and local or foreign examinations by tax authorities for years before 2011. 2014.

Note 15. 13. Legal and Regulatory Proceedings

Mastercard is a party to legal and regulatory proceedings with respect to a variety of matters in the ordinary course of business. Some of these proceedings are based on complex claims involving substantial uncertainties and unascertainable damages. Accordingly, except as discussed below, it is not possible to determine the probability of loss or estimate damages, and therefore, Mastercard has not established reserves liabilities for any of these proceedings. proceedings, except as discussed below. When the Company determines that a loss is both probable and reasonably estimable, Mastercard records a liability and discloses the amount of the liability if it is material. When a material loss contingency is only reasonably possible, Mastercard does not record a liability, but instead discloses the nature and the amount of the claim, and an estimate of the loss or range of loss, if such an estimate can be made. Unless otherwise stated below with respect to these matters, Mastercard cannot provide an estimate of the possible loss or range of loss based on one or more of the following reasons: (1) actual or potential plaintiffs have not claimed an amount of monetary damages or the amounts are unsupportable or exaggerated, (2) the matters are in early stages, (3) there is uncertainty as to the outcome of pending appeals or motions, (4) there are significant factual issues to be resolved, (5) the proceedings involve multiple defendants or potential defendants whose share of any potential financial responsibility has yet to be determined and/or (6) there are novel legal issues presented. Furthermore, except as identified with respect to the matters below, Mastercard does not believe that the outcome of any individual existing legal or regulatory proceeding to which it is a party will have a material adverse effect on its results of operations, financial condition and overall business. However, an adverse judgment or other outcome or settlement with respect to any proceedings discussed below could result in fines or payments by Mastercard and/or could require Mastercard to change its business practices. In addition, an adverse outcome in a regulatory proceeding could lead to the filing of civil damage claims and possibly result in significant

damage awards. Any of these events could have a material adverse effect on Mastercard's results of operations, financial condition and overall business.

Interchange Litigation and Regulatory Proceedings

Mastercard's interchange fees and other practices are subject to regulatory, legal review and/or challenges in a number of jurisdictions, including the proceedings described below. When taken as a whole, the resulting decisions, regulations and legislation with respect to interchange fees and acceptance practices may have a material adverse effect on the Company's prospects for future growth and its overall results of operations and financial position and cash flows. condition.

United States. In June 2005, the first of a series of complaints were filed on behalf of merchants (the majority of the complaints were styled as class actions, although a few complaints were filed on behalf of individual merchant plaintiffs) against Mastercard International, Visa U.S.A., Inc., Visa International Service Association and a number of financial institutions. Taken together, the claims in the complaints were generally brought under both Sections 1 and 2 of the Sherman Act, which prohibit monopolization and attempts or conspiracies to monopolize a particular industry, and some of these complaints contain unfair competition law claims under state law. The complaints allege, among other things, that Mastercard, Visa, and certain financial institutions conspired to set the price of interchange fees, enacted point of sale acceptance rules (including the "no surcharge" rule) in violation of antitrust laws and engaged in unlawful tying and bundling of certain products and services, resulting in merchants paying excessive costs for the acceptance of Mastercard and Visa credit and debit cards. The cases were consolidated for pre-trial proceedings in the U.S. District Court for the Eastern District of New York in MDL No. 1720 (the "U.S. MDL Litigation Cases"). The plaintiffs filed a consolidated class action complaint seeking treble damages.

In July 2006, the group of purported merchant class plaintiffs filed a supplemental complaint alleging that Mastercard's initial public offering of its Class A Common Stock in May 2006 (the "IPO") and certain purported agreements entered into between Mastercard and financial institutions in connection with the IPO: (1) violate U.S. antitrust laws and (2) constituted a fraudulent conveyance because the financial institutions allegedly attempted to release, without adequate consideration, Mastercard's right to assess them for Mastercard's litigation liabilities. The class plaintiffs sought treble damages and injunctive relief including, but not limited to, an order reversing and unwinding the IPO.

In February 2011, Mastercard and Mastercard International entered into each of: (1) an omnibus judgment sharing and settlement sharing agreement with Visa Inc., Visa U.S.A. Inc. and Visa International Service Association and a number of financial institutions; and (2) a Mastercard settlement and judgment sharing agreement with a number of financial institutions. The agreements provide for the apportionment of certain costs and liabilities which Mastercard, the Visa parties and the financial institutions may incur, jointly and/or severally, in the event of an adverse judgment or settlement of one or all of the U.S. MDL Litigation Cases. Among a number of scenarios addressed by the agreements, in the event of a global settlement involving the Visa parties, the financial institutions and Mastercard, Mastercard would pay 12% of the monetary portion of the settlement. In the event of a settlement involving only Mastercard and the financial institutions with respect to their issuance of Mastercard cards, Mastercard would pay 36% of the monetary portion of such settlement.

In October 2012, the parties entered into a definitive settlement agreement with respect to the U.S. MDL Litigation Cases (including with respect to the claims related to the IPO) and the defendants separately entered into a settlement agreement with the individual merchant plaintiffs. The settlements included cash payments that were apportioned among the defendants pursuant to the omnibus judgment sharing and settlement sharing agreement described above. Mastercard also agreed to provide class members with a short-term reduction in default credit interchange rates and to modify certain of its business practices, including its no surcharge rule. The court granted final approval of the settlement in December 2013. Following an appeal by objectors and as a result of a reversal by the U.S. Court of Appeals for the Second Circuit, the district court divided the merchants' claims into two separate classes - monetary damages claims (the "Damages Class") and claims seeking changes to business practices (the "Rules Relief Class"). The court appointed separate counsel for each class.

In September 2018, the parties to the Damages Class litigation entered into a class settlement agreement to resolve the Damages Class claims, with merchants representing slightly more than 25% of the Damages Class interchange volume ultimately choosing to opt out of the settlement. The district court granted final approval of the Damages Class settlement in December 2019, which was upheld by the appellate court in March 2023 and agreement became final in August 2023 pursuant to the terms of the agreement. 2023. Since 2018, Mastercard has commenced settlement negotiations with a number of the opt-out merchants and has reached settlements and/or agreements in principle to settle a number of these claims.

Separately, settlement negotiations with over 250 opt-out merchants. These opt-out merchant settlements, along with the Rules Relief Damages Class are ongoing. Briefing on settlement, represent over 90% of Mastercard's U.S. interchange volume. During the first quarter of 2024, the district court denied the defendants' motions for summary judgment motions in with respect to the Rules Relief Class and ongoing individual opt-out merchant cases. The defendants and the opt-out merchants are in discussions regarding next steps, including whether the individual opt-out cases was completed should be sent back to the original jurisdictions in December 2020. which the cases were filed for potential trials.

In September 2021, the district court granted the Rules Relief Class's motion for class certification.

As of September 30, 2023 and December 31, 2022, Mastercard had accrued a liability of $464 million and $894 million, respectively, as a reserve for In March 2024, the U.S. MDL Litigation Cases. During the third quarter of 2023, Mastercard reduced both the accrued liability and restricted cash for litigation settlement by $600 million, including accrued interest, as the Damages Class settlement became final in August 2023. As of September 30, 2023 and December 31, 2022, Mastercard had no balance and $589 million, respectively, in a qualified cash settlement fund related parties to the Damages Rules Relief Class litigation and classified as restricted cash entered into a settlement agreement to resolve the Rules Relief Class claims, which is subject to court approval. The court has scheduled argument on its consolidated balance sheet. During the first quarter of preliminary approval for June 2024.

2023, As of March 31, 2024 and December 31, 2023, Mastercard recorded an additional accrual had accrued a liability of $211 million as a result of a change in estimate with respect to $499 million and $596 million, respectively, for the claims of merchants who opted out of the Damages Class litigation. U.S. MDL Litigation Cases. The reserve liability as of September 30, 2023 for the opt-out merchants March 31, 2024 represents Mastercard's best estimate of its probable liabilities in these matters and does not represent an estimate of a loss, if any, if the matters were litigated to a final outcome. Mastercard cannot estimate the potential liability if that were to occur.

Europe. Since May 2012, a number of United Kingdom ("U.K.") merchants filed claims or threatened litigation against Mastercard seeking damages for excessive costs paid for acceptance of Mastercard credit and debit cards arising out of alleged anti-competitive conduct with respect to, among other things, Mastercard's cross-border interchange fees and its U.K. and Ireland domestic interchange fees (the "U.K. Merchant claimants"). In addition, Mastercard has faced similar filed or threatened litigation by merchants with respect to interchange rates in other countries in Europe (the "Pan-European Merchant claimants"). Mastercard has resolved a substantial amount of these damages claims through settlement or judgment. Following these settlements, approximately £1.1 billion £0.9 billion (approximately $1.4 billion $1.1 billion as of September 30, 2023 March 31, 2024) of unresolved damages claims remain.

Mastercard continues to litigate with the remaining U.K. and Pan-European Merchant claimants and it has submitted statements of defense disputing liability and damages claims. A number of those matters are now progressing with motion practice and discovery. A hearing involving multiple merchant cases is scheduled for February was completed in March 2024 concerning certain liability issues with respect to merchant claims for damages with respect related to post-Interchange Fee Regulation consumer interchange fees as well as commercial and inter-regional interchange fees.

In a separate matter, Mastercard and Visa were served with a proposed collective action complaint in the U.K. on behalf of merchants seeking damages for commercial card transactions and inter-regional consumer card transactions in both the U.K. and the European Union. The In December 2023, the plaintiffs have claimed filed a revised collective action application claiming damages against Mastercard in excess of approximately £0.5 billion £1.0 billion (approximately $0.6 billion $1.3 billion as of September 30, 2023 March 31, 2024). In June 2023, the court denied the plaintiffs' collective action application but provided the plaintiffs with an opportunity to file a revised application for certification. The plaintiffs have indicated that they plan to file a revised application in December 2023 and the court has scheduled a A hearing on the this application for occurred in April 2024.

In September 2016, a proposed collective action was filed in the United Kingdom on behalf of U.K. consumers seeking damages for intra-EEA and domestic U.K. interchange fees that were allegedly passed on to consumers by merchants between 1992 and 2008. The complaint, which seeks to leverage the European Commission's 2007 decision on intra-EEA interchange fees, claims damages in an amount that exceeds £10 billion (approximately $12 billion $13 billion as of September 30, 2023 March 31, 2024). Following various hearings since July 2017 regarding collective action and scope, in August In 2021, the trial court issued a decision in which it granted class certification to the plaintiffs but narrowed the scope of the class. In Since January 2023, the trial court has held a hearing hearings on various issues, including whether any causal connection existed between the levels of Mastercard's intra-EEA interchange fees and U.K. domestic interchange fees and regarding Mastercard's request to narrow the number of years of damages sought by the plaintiffs on statute of limitations grounds. In July 2023, February 2024, the trial court held an additional hearing regarding whether any ruled in Mastercard's favor, finding no causal connection existed between the levels of Mastercard's intra-EEA interchange fees and U.K. domestic interchange fees. The plaintiffs have requested permission to appeal this ruling.

Mastercard has been named as a defendant in a proposed consumer collective action filed in Portugal on behalf of Portuguese consumers. The complaint, which seeks to leverage the 2019 resolution of the European Commission's investigation of Mastercard's central acquiring rules and interregional interchange fees, claims damages of approximately €0.4 billion (approximately $0.4 billion as of September 30, 2023 March 31, 2024) for interchange fees that were allegedly passed on to consumers by Portuguese merchants for a period of approximately 20 years. Mastercard has submitted a statement of defense that disputes both liability and damages.

In April 2023, the Serbian Competition Commission issued a Statement of Objections ("SO") against Mastercard. The SO covers historic domestic interchange fees from 2013 to 2018. The SO seeks monetary fines and costs but no business practices changes.

Australia. In May 2022, the Australian Competition & Consumer Commission ("ACCC") filed a complaint targeting certain agreements entered into by Mastercard and certain Australian merchants related to Mastercard's debit program. The ACCC alleges that by entering into such agreements, Mastercard engaged in conduct with the purpose of substantially lessening competition in the supply of debit card acceptance services. The ACCC seeks both declaratory relief and monetary fines and costs. A hearing on liability issues has been scheduled for March 2025.

ATM Non-Discrimination Rule Surcharge Complaints

United States. In October 2011, a trade association of independent Automated Teller Machine ("ATM") ATM operators and 13 independent ATM operators filed a complaint styled as a class action lawsuit in the U.S. District Court for the District of Columbia against both Mastercard and Visa (the "ATM Operators Class Complaint"). Plaintiffs seek to represent a class of non-bank operators of ATM terminals that operate in the United States with the discretion to determine the price of the ATM access fee for the terminals they operate. Plaintiffs allege that Mastercard and Visa have violated Section 1 of the Sherman Act by imposing rules that require ATM operators to charge non-discriminatory ATM surcharges for transactions processed over Mastercard's and Visa's respective networks that are not greater than the surcharge for transactions over other networks accepted at the same ATM. Plaintiffs seek both injunctive and monetary relief equal to treble the damages they claim to have sustained as a result of the alleged violations and their costs of suit, including attorneys' fees.

Subsequently, multiple related complaints were filed in the U.S. District Court for the District of Columbia alleging both federal antitrust and multiple state unfair competition, consumer protection and common law claims against Mastercard and Visa on behalf of different putative classes of users of ATM services (the "ATM Consumer Complaints"). services. The claims in these actions largely mirror the allegations made in the ATM

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Operators Class Complaint, although these complaints seek damages on behalf of consumers of ATM services who pay allegedly inflated ATM fees at both bank ("Bank ATM Consumer Class Complaint") and non-bank ("Non-bank ATM Consumer Class Complaint") ATM operators as a result of the defendants' ATM rules. Plaintiffs seek both injunctive and monetary relief equal to treble the damages they claim to have sustained as a result of the alleged violations and their costs of suit, including attorneys' fees.

In January 2012, 2019, the plaintiffs in the ATM Operators Complaint and the ATM Consumer Complaints filed amended all three class action complaints that largely mirror their prior complaints. In September 2019, the plaintiffs filed with the district court their motions for class certification in which the plaintiffs, in aggregate, allege over $1 billion in damages against all of the defendants. In August 2021, the trial court issued an order granting the plaintiffs' request for class certification. In July 2023, the D.C. Circuit Court affirmed the district court court's previous order granting class certification, and subsequently denied Mastercard's request for an certification. The U.S. Supreme Court declined to hear the defendants' appeal of that decision the certification decision.

In March 2024, Mastercard agreed to all D.C. Circuit Court judges.

Europe. Mastercard was named as a defendant in an action brought by Euronet 360 Finance Limited, Euronet Polska Spolka z.o.o. and Euronet Services spol. s.r.o. ("Euronet") alleging that certain rules affecting term sheet with the class lawyers representing the Bank ATM access fees in Poland, the Czech Republic and Greece by Visa and Mastercard, and certain of their subsidiaries, breach various competition laws. Euronet sought damages, costs and injunctive relief Consumer Class to prevent the defendants from enforcing these rules. settle those claims. The matter was resolved via parties are negotiating a settlement agreement which would be subject to court approval. During the first quarter of 2024, Mastercard recorded an accrual of $93 million in October 2023. connection with this matter. The litigation with the ATM Operators Class and Non-bank ATM Consumer Class is ongoing. The plaintiffs in these two remaining class complaints, in aggregate, allege over $1 billion in damages against all of the defendants.

U.S. Liability Shift Litigation

In March 2016, a proposed U.S. merchant class action complaint was filed in federal court in California alleging that Mastercard, Visa, American Express and Discover (the "Network Defendants"), EMVCo, and a number of issuing banks (the "Bank Defendants") engaged in a conspiracy to shift fraud liability for card present transactions from issuing banks to merchants not yet in compliance with the standards for EMV chip cards in the United States (the "EMV Liability Shift"), in violation of the Sherman Act and California law. Plaintiffs allege damages equal to the value of all chargebacks for which class members became liable as a result of the EMV Liability Shift on October 1, 2015. The plaintiffs seek treble damages, attorney's fees and costs and an injunction against future violations of governing law, and the defendants filed a motion to dismiss. In September 2016, the law. The district court denied the Network Defendants' motion to dismiss the complaint, but granted such a motion for EMVCo and the Bank Defendants. In May 2017, the district court transferred the case to New York so that discovery could be coordinated with the U.S. MDL Litigation Cases described above. In August 2020, the district court issued an order granting the plaintiffs' request for class certification and in January 2021, the Network Defendants' request for permission to appeal that decision was denied. certification. The plaintiffs have submitted expert reports that allege aggregate damages in excess of $1 billion against the four Network Defendants. The Network Defendants have submitted expert reports rebutting both liability and damages. Briefing damages and all briefs on summary judgment concluded. have been submitted.

Telephone Consumer Protection Class Action

Mastercard is a defendant in a Telephone Consumer Protection Act ("TCPA") class action pending in Florida. The plaintiffs are individuals and businesses who allege that approximately 381,000 unsolicited faxes were sent to them advertising a Mastercard co-brand card issued by First Arkansas Bank ("FAB"). The TCPA provides for uncapped statutory damages of $500 per fax. Mastercard has asserted various defenses to the claims, and has notified FAB of an indemnity claim that it has (which FAB has disputed). In December 2019, the Federal Communications Commission ("FCC") issued a declaratory ruling clarifying that the TCPA does not apply to faxes sent to online fax services that are received online via email. In December 2021, the trial court granted plaintiffs' request for class certification, but narrowed the scope of the class to stand alone fax recipients only. Mastercard's request to appeal that decision was denied. Briefing on plaintiffs' motion to amend the class definition and Mastercard's cross-motion to decertify the stand alone fax recipient class was completed in April 2023.

U.S. Federal Trade Commission Investigation

In June 2020, 2023 and the U.S. Federal Trade Commission's Bureau of Competition ("FTC") informed Mastercard that it initiated a formal investigation into compliance with parties await the Durbin Amendment to the Dodd-Frank Wall Street Reform and Consumer Protection Act. In particular, the investigation focused on Mastercard's compliance with the debit routing provisions of the Durbin Amendment. In December 2022, the FTC voted to issue an administrative complaint and accept a consent agreement with Mastercard. Pursuant to this agreement, Mastercard agreed to provide primary account numbers (PANs) so that merchants can route tokenized online debit transactions to alternative networks. The consent agreement does not include any monetary penalty. Following a public comment period, the FTC finalized the consent agreement in May 2023. court's decision.

U.S. Department of Justice Investigation

In March 2023, Mastercard received a Civil Investigative Demand ("CID") from the U.S. Department of Justice Antitrust Division ("DOJ") seeking documents and information regarding a potential violation of Sections 1 or 2 of the Sherman Act. The CID focuses on Mastercard's U.S. debit program and competition with other payment networks and technologies. Mastercard is cooperating with the DOJ in connection with the CID.

Note 16. 14. Settlement and Other Risk Management

Mastercard's rules guarantee the settlement of many of the payment network transactions between its customers ("settlement risk"). Settlement exposure is the settlement risk to customers under Mastercard's rules due to the difference in timing between the payment transaction date and subsequent settlement. For those transactions the Company guarantees, the guarantee will cover the full amount of the settlement obligation to the extent the settlement obligation is not otherwise satisfied. The duration of the settlement exposure is short-term and generally limited to a few days.

Gross settlement exposure is estimated using the average daily payment volume during the three months prior to period end multiplied by the estimated number of days of exposure. The Company has global risk management policies and procedures, which include risk standards, to provide a framework for managing the Company's settlement risk and exposure. In the event of failed settlement by a customer, Mastercard may pursue one or more remedies available under the Company's rules to recover potential losses. Historically, the Company has experienced a low level of losses from customer settlement failures.

As part of its policies, Mastercard requires certain customers that do not meet the Company's risk standards to enter into risk mitigation arrangements, including cash collateral and/or forms of credit enhancement such as letters of credit and guarantees. This requirement is based on a review of the individual risk circumstances for each customer. Mastercard monitors its credit risk portfolio and the adequacy of its risk mitigation arrangements on a regular basis. Additionally, from time to time, the Company periodically reviews its risk management methodology and standards. As such, the amounts of estimated settlement exposure are revised as necessary.

The Company's estimated settlement exposure was as follows:

	September 30, 2023	December 31, 2022
	(in millions)	
Gross settlement exposure	$ 73,134	$ 64,885
Risk mitigation arrangements applied to settlement exposure [1]	(11,141)	(9,224)
Net settlement exposure [1]	**$ 61,993**	**$ 55,661**

[1] The Company corrected its estimated net settlement exposure as of December 31, 2022. The correction was not material to the net settlement exposures previously reported and had no impact to any of the Company's financial statement line items.

	March 31, 2024	December 31, 2023
	(in millions)	
Gross settlement exposure	$ 73,775	$ 75,023
Risk mitigation arrangements applied to settlement exposure	(12,549)	(12,167)
Net settlement exposure	**$ 61,226**	**$ 62,856**

Mastercard also provides guarantees to customers and certain other counterparties indemnifying them from losses stemming from failures of third parties to perform duties. This includes guarantees of Mastercard-branded travelers cheques issued, but not yet cashed of $337 million $336 million and $342 million $340 million at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, of which the Company has risk mitigation arrangements for $269 million and $273 million $272 million at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. In addition, the Company enters into agreements in the ordinary course of business under which the Company agrees to indemnify third parties against damages, losses and expenses incurred in connection with legal and other proceedings arising from relationships or transactions with the Company. Certain indemnifications do not provide a stated maximum exposure. As the extent of the Company's obligations under these agreements depends entirely upon the occurrence of future events, the Company's potential future liability under these agreements is not determinable. Historically, payments made by the Company under these types of contractual arrangements have not been material.

Note 17. 15. Derivative and Hedging Instruments

The Company monitors and manages its foreign currency and interest rate exposures as part of its overall risk management program which focuses on the unpredictability of financial markets and seeks to reduce the potentially adverse effects that the volatility of these markets may have on its operating results. A primary objective of the Company's risk management strategies is to reduce the financial impact that may arise from volatility in foreign currency exchange rates principally through the use of both foreign exchange derivative contracts and foreign currency denominated debt. In addition, the Company may enter into interest rate derivative contracts to manage the effects of interest rate movements on the Company's aggregate liability portfolio, including potential future debt issuances. The Company does not enter into derivatives for speculative purposes.

Cash Flow Hedges

The Company may enter into foreign exchange derivative contracts, including forwards and options, to manage the impact of foreign currency variability on anticipated revenues and expenses, which fluctuate based on currencies other than the functional currency of the entity. The objective of these hedging activities is to reduce the effect of movement in foreign exchange rates for a portion of revenues and expenses forecasted to occur. As these contracts are designated as cash flow hedging instruments, gains and losses resulting from changes in fair value of these contracts are deferred in accumulated other comprehensive income (loss) and subsequently reclassified to the consolidated statement of operations when the underlying hedged transactions impact earnings.

In addition, the Company may enter into interest rate derivative contracts to manage the effects of interest rate movements on the Company's aggregate liability portfolio, including potential future debt issuances, and designate such derivatives as hedging instruments in a

cash flow hedging relationship. Gains and losses resulting from changes in fair value of these contracts are deferred in accumulated other comprehensive income (loss) and are subsequently reclassified as an adjustment to interest expense over the respective terms of the hedged debt issuances.

Fair Value Hedges

The Company may enter into interest rate derivative contracts, including interest rate swaps, to manage the effects of interest rate movements on the fair value of the Company's fixed-rate debt and designate such derivatives as hedging instruments in a fair value hedging relationship. Changes in fair value of these contracts and changes in fair value of fixed-rate debt attributable to changes in the hedged benchmark interest rate generally offset each other and are recorded in interest expense on the consolidated statement of operations. Gains or and losses related to the net settlements of interest rate swaps are also recorded in interest expense on the consolidated statement of operations. The periodic cash settlements are included in operating activities on the consolidated statement of cash flows.

In 2021, the Company entered into an interest rate swap designated as a fair value hedge related to $1.0 billion of the 3.850% Senior Notes due March 2050. In effect, the interest rate swap synthetically converts the fixed interest rate on this debt to a variable interest rate based on the Secured Overnight Financing Rate ("SOFR") Overnight Index Swap Rate. The net impact to interest expense for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 was not material.

Net Investment Hedges

The Company may use foreign currency denominated debt and/or foreign exchange derivative contracts to hedge a portion of its net investment in foreign subsidiaries against adverse movements in exchange rates. The effective portion of the net investment hedge is recorded as a currency translation adjustment in accumulated other comprehensive income (loss). Forward points are excluded from the effectiveness assessment and are recognized in general and administrative expenses on the consolidated statement of operations over the hedge period. The amounts recognized in earnings related to forward points for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 were not material.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company had €1.7 billion €1.6 billion euro-denominated debt outstanding designated as hedges of a portion of its net investment in its European operations. For the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company recorded pre-tax net foreign currency gains (losses) of $54 million $44 million and $15 million and $189 million and $388 million, $(35) million, respectively, in other comprehensive income (loss).

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company had net foreign currency gains of $350 million $217 million and $309 million $181 million, respectively, after tax, respectively, in accumulated other comprehensive income (loss) associated with this hedging activity.

Non-designated Derivatives

The Company may also enter into foreign exchange derivative contracts to serve as economic hedges, such as to offset possible changes in the value of monetary assets and liabilities due to foreign exchange fluctuations, without designating these derivative contracts as hedging instruments. In addition, the Company is subject to foreign exchange risk as part of its daily settlement activities. This risk is typically limited to a few days between when a payment transaction takes place and the subsequent settlement with customers. To manage this risk, the Company may enter into short duration foreign exchange derivative contracts based upon anticipated receipts and disbursements for the respective currency position. The objective of these activities is to reduce the Company's exposure to volatility arising from gains and losses resulting from fluctuations of foreign currencies against its functional currencies. Gains and losses resulting from changes in fair value of these contracts are recorded in general and administrative expenses on the consolidated statement of operations, net, along with the foreign currency gains and losses on monetary assets and liabilities.

The following table summarizes the fair value of the Company's derivative financial instruments and the related notional amounts:

	March 31, 2024					
	September 30, 2023			December 31, 2022		
	Notional	Derivative assets	Derivative liabilities	Notional	Derivative assets	Derivative liabilities
	(in millions)					
Derivatives designated as hedging instruments						
Foreign exchange contracts in a cash flow hedge [1]	$1,055	$ 15	$ 9	$ 642	$ 4	$ 15
Interest rate contracts in a fair value hedge [2]	1,000	—	109	1,000	—	105
Foreign exchange contracts in a net investment hedge [1]	2,858	93	—	1,814	103	4

	March 31, 2024			December 31, 2023		
	Notional	Derivative assets	Derivative liabilities	Notional	Derivative assets	Derivative liabilities
	(in millions)					(in millions)
Foreign exchange contracts in a cash flow hedge [1]						
Foreign exchange contracts in a cash flow hedge [1]						

Derivatives not designated as hedging instruments							
Derivatives not designated as hedging instruments							
Derivatives not designated as hedging instruments	**Derivatives not designated as hedging instruments**						
Foreign exchange contracts [1]	Foreign exchange contracts [1]	2,099	12	13	521	1	2
Foreign exchange contracts [1]							
Foreign exchange contracts [1]							
Total derivative assets/liabilities	Total derivative assets/liabilities	**$ 7,012**	**$ 120**	**$ 131**	**$ 3,977**	**$ 108**	**$ 126**

[1] Foreign exchange derivative assets and liabilities are included within prepaid expenses and other current assets and other current liabilities, respectively, on the consolidated balance sheet.

[2] Interest rate derivative liabilities are included within other current liabilities and other liabilities on the consolidated balance sheet.

The pre-tax gain (loss) related to the Company's derivative financial instruments designated as hedging instruments are as follows:

	Gain (Loss) Recognized in OCI		Location of Gain (Loss) Reclassified from AOCI into Earnings	Gain (Loss) Reclassified from AOCI	
	Three Months Ended September 30,			Three Months Ended September 30,	
	2023	2022		2023	2022
	(in millions)			(in millions)	
Derivative financial instruments in a cash flow hedge relationship:					
Foreign exchange contracts	$ 17	$ 14	Net revenue	$ (10)	$ 6
Interest rate contracts	$ —	$ —	Interest expense	$ (2)	$ (2)
Derivative financial instruments in a net investment hedge relationship:					
Foreign exchange contracts	$ 84	$ 183			

	Gain (Loss) Recognized in OCI		Location of Gain (Loss) Reclassified from AOCI into Earnings	Gain (Loss) Reclassified from AOCI	
	Nine Months Ended September 30,			Nine Months Ended September 30,	
	2023	2022		2023	2022
	(in millions)			(in millions)	

	Gain (Loss) Recognized in OCI		Gain (Loss) Recognized in OCI		Location of Gain (Loss) Reclassified from AOCI into Earnings	Gain (Loss) Reclassified from AOCI	
	Three Months Ended March 31,		Three Months Ended March 31,			Three Months Ended March 31,	
	2024	2024	2023			2024	2023
	(in millions)		(in millions)			(in millions)	

Derivative financial instruments in a cash flow hedge relationship:	**Derivative financial instruments in a cash flow hedge relationship:**					
Foreign exchange contracts						
Foreign exchange contracts						
Foreign exchange contracts	Foreign exchange contracts	$ (7)	$ 21	Net revenue	$ (24)	$ 14
Interest rate contracts	Interest rate contracts	$ —	$ —	Interest expense	$ (5)	$ (5)
Derivative financial instruments in a net investment hedge relationship:	**Derivative financial instruments in a net investment hedge relationship:**					
Derivative financial instruments in a net investment hedge relationship:						
Derivative financial instruments in a net investment hedge relationship:						
Foreign exchange contracts	Foreign exchange contracts	$ 38	$ 384			
Foreign exchange contracts						
Foreign exchange contracts						

The Company estimates that the pre-tax amount of the net deferred loss on cash flow hedges recorded in accumulated other comprehensive income (loss) at September 30, 2023 March 31, 2024 that will be reclassified into the consolidated statement of operations within the next 12 months is not material. The term of the foreign exchange derivative contracts designated in hedging relationships are generally less than 18 months.

The amount of gain (loss) recognized on the consolidated statement of operations for non-designated derivative contracts is summarized below:

Derivatives not designated as hedging instruments:	Derivatives not designated as hedging instruments:	Three Months Ended September 30, 2023	2022	Nine Months Ended September 30, 2023	2022	Derivatives not designated as hedging instruments:	Three Months Ended March 31, 2024	2023
		(in millions)						
		(in millions)						(in millions)
Foreign exchange contracts	Foreign exchange contracts							
General and administrative								
General and administrative								
General and administrative	General and administrative	$ (4)	$ 13	$ 21	$ 25			

The Company's derivative financial instruments are subject to both market and counterparty credit risk. Market risk is the potential for economic losses to be incurred on market risk sensitive instruments arising from adverse changes in market factors such as foreign currency exchange rates, interest rates and other related variables. Counterparty credit risk is the risk of loss due to failure of the counterparty to perform its obligations in accordance with contractual terms. The Company's derivative contracts are subject to enforceable master netting arrangements, which contain various netting and setoff provisions. However, the Company has elected to present derivative assets and liabilities on a gross basis on the consolidated balance sheet. To mitigate counterparty credit risk, the Company enters into derivative contracts with a diversified group of selected financial institutions based upon their credit ratings and other factors. Generally, the Company does not obtain collateral related to derivatives because of the high credit ratings of the counterparties.

Item 2. Management's discussion and analysis of financial condition and results of operations

The following supplements management's discussion and analysis of Mastercard Incorporated for the year ended December 31, 2022 December 31, 2023 as contained in the Company's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission on February 14, 2023 February 13, 2024. It also should be read in conjunction with the consolidated financial statements and notes of Mastercard Incorporated and its consolidated subsidiaries, including Mastercard International Incorporated (together, "Mastercard" or the "Company"), included elsewhere in this Report. Percentage changes provided throughout "Management's Discussion and Analysis of Financial Condition and Results of Operations" were calculated on amounts rounded to the nearest thousand. During the fourth quarter of 2022, the Company updated its disaggregated net revenue presentation by category and geography to reflect the nature of its payment services and to align such information with the way in which management views its categories of net revenue. Prior period amounts have been reclassified to conform to the updated presentation. The reclassification had no impact on previously reported total net revenue, operating income or net income.

Financial Results Overview

The following table provides a summary of our key GAAP operating results, as reported:

	Three Months Ended September 30, 2023	2022	Increase/(Decrease)	Nine Months Ended September 30, 2023	2022	Increase/(Decrease)
	($ in millions, except per share data)					
	Three Months Ended March 31,					
	Three Months Ended March 31,					
	Three Months Ended March 31, 2024					Increase/(Decrease)
	(in millions, except per share data)					

		(in millions, except per share data)					
		(in millions, except per share data)					
Net revenue							
Net revenue							
Net revenue	Net revenue	$ 6,533	$ 5,756	14%	$ 18,550	$ 16,420	13%
Operating expenses	Operating expenses	$ 2,689	$ 2,644	2%	$ 7,914	$ 7,340	8%
Operating income	Operating income	$ 3,844	$ 3,112	24%	$ 10,636	$ 9,080	17%
Operating margin	Operating margin	58.8 %	54.1 %	4.8 ppt	57.3 %	55.3 %	2.0 ppt
Income tax expense	Income tax expense	$ 563	$ 573	(2)%	$ 1,914	$ 1,238	54%
Effective income tax rate	Effective income tax rate	15.0 %	18.6 %	(3.7) ppt	18.6 %	14.3 %	4.2 ppt
Net income	Net income	$ 3,198	$ 2,499	28%	$ 8,404	$ 7,405	13%
Diluted earnings per share	Diluted earnings per share	$ 3.39	$ 2.58	31%	$ 8.85	$ 7.60	16%
Diluted weighted-average shares outstanding	Diluted weighted-average shares outstanding	943	968	(3)%	949	974	(3)%

	$ 6,348	$	$ 5,748	10%	
Operating expenses	$ 2,744	$	$ 2,612		5
Operating income	$ 3,604	$	$ 3,136		[illegible]
Operating margin	56.8 %		54.6 %		
Income tax expense	$ 547	$	$ 492		[illegible]
Effective income tax rate	15.4 %		17.2 %		
Net income	$ 3,011	$	$ 2,361		[illegible]
Diluted earnings per share	$ 3.22	$	$ 2.47		[illegible]
Diluted weighted-average shares outstanding	935	956	956		

Note: Table may not sum due to rounding.

The following table provides a summary of our key non-GAAP operating results[1], adjusted to exclude the impact of gains and losses on our equity investments, Special Items (which represent litigation judgments and settlements and certain one-time items) and the related tax impacts on our non-GAAP adjustments. In addition, we have presented growth rates, adjusted for the impact of currency:

	Three Months Ended September 30,		Increase/(Decrease)		Nine Months Ended September 30,		Increase/(Decrease)	
	2023	2022	As adjusted	Currency-neutral	2023	2022	As adjusted	Currency-neutral
	($ in millions, except per share data)							
Adjusted net revenue [2]	$ 6,533	$ 5,756	14%	11%	$ 18,550	$ 16,383	13%	14%

	Three Months Ended March 31,					
	Three Months Ended March 31,					
	Three Months Ended March 31,		Increase/(Decrease)			
	2024	2024	2023	As adjusted	Currency-neutral	
	($ in millions, except per share data)					($ in millions, except per share data)
Net revenue	Net revenue	$ 6,348	$ 5,748	10%	11%	

Adjusted operating expenses	Adjusted operating expenses	$2,689	$2,437	10%	9%	$ 7,683	$ 6,932	11%	11%	Adjusted operating expenses	$2,617	$ $2,401	9%		9%
Adjusted operating margin	Adjusted operating margin	58.8 %	57.7 %	1.2 ppt	0.8 ppt	58.6 %	57.7 %	0.9 ppt	0.8 ppt	Adjusted operating margin	58.8 %	58.2 %		0.5 ppt	0.7 ppt
Adjusted effective income tax rate	Adjusted effective income tax rate	15.0 %	19.4 %	(4.4) ppt	(4.6) ppt	19.0 %	14.8 %	4.2 ppt	4.1 ppt	Adjusted effective income tax rate	15.9 %	18.3 %		(2.3) ppt	(2.4) ppt
Adjusted net income	Adjusted net income	$3,202	$2,595	23%	21%	$ 8,622	$ 7,794	11%	11%	Adjusted net income	$3,093	$ $2,678	16%		16%
Adjusted diluted earnings per share	Adjusted diluted earnings per share	$ 3.39	$ 2.68	26%	24%	$ 9.08	$ 8.00	14%	14%	Adjusted diluted earnings per share	$ 3.31	$ $ 2.80	18%	18%	19%

Note: Table may not sum due to rounding.

1 See "Non-GAAP Financial Information" for further information on our non-GAAP adjustments and the reconciliation to GAAP reported amounts.

2 For the three months ended September 30, 2023 and 2022, the amounts presented are GAAP reported amounts, not adjusted.

Key highlights for the three and nine months ended September 30, 2023 March 31, 2024, versus the comparable periods period in 2022: 2023:

Net revenue

Three Months Ended September 30, 2023 March 31, 2024

GAAP	Non-GAAP (currency-neutral)
up 14% 10%	up 11%

Adjusted Both the as reported and currency-neutral net revenue increased 11% on a currency-neutral basis. The increase was attributable to growth in both our payment network and value-added services and solutions.

Nine Months Ended September 30, 2023

GAAP	Non-GAAP (currency-neutral)
up 13%	up 14%

Adjusted net revenue increased 14% on a currency-neutral basis. The increase was attributable to growth in both our payment network and value-added services and solutions.

Operating expenses	Adjusted operating expenses
Three Months Ended September 30, 2023 March 31, 2024	
GAAP	Non-GAAP (currency-neutral)
up 2%	up 9%

Non-GAAP (currency-neutral)

Adjusted The as reported operating expenses increased 9% on a currency-neutral basis, which includes 1 percentage point of growth due to acquisitions. The expense increase was primarily due to higher personnel costs.

Nine Months Ended September 30, 2023	
GAAP	Non-GAAP (currency-neutral)
up 8% 5%	up 11% 9%

Adjusted general and administrative expenses, partially offset by lower litigation provisions and advertising and marketing expenses. The as adjusted operating expenses increased 11% on a currency-neutral basis, which includes 1 percentage point of growth due to acquisitions. The expense increase was primarily due to higher personnel costs. general and administrative expenses, partially offset by lower advertising and marketing expenses.

Effective income tax rate	Adjusted effective income tax rate
Three Months Ended September 30, 2023	
GAAP	Non-GAAP
15.0%	15.0%

The adjusted effective income tax rate of 15.0% was lower than the prior year rate of 19.4% primarily due to our ability to now claim more U.S. foreign tax credits generated in 2022 and 2023, partially offset by the establishment of a valuation allowance in 2023 of $115 million.

Nine Months Ended September 30, 2023	
GAAP	Non-GAAP
18.6%	19.0%

The adjusted effective income tax rate of 19.0% was higher than the prior year rate of 14.8% primarily due to the release of a $333 million valuation allowance in 2022 and the establishment of a $327 million valuation allowance in 2023, partially offset by the ability to now claim more U.S. foreign tax credits generated in 2022 and 2023.

Effective income tax rate	Adjusted effective income tax rate
Three Months Ended March 31, 2024	
GAAP	Non-GAAP
15.4%	15.9%
down 1.9 ppt	down 2.3 ppt

Both the as reported and as adjusted effective income tax rates were lower than the prior year rates primarily due to a change in our geographic mix of earnings as well as discrete tax benefits related to share-based payments.

Other financial highlights for the nine three months ended September 30, 2023 March 31, 2024 were as follows:

- We generated net cash flows from operations of $7.9 billion $1.7 billion.
- We repurchased 19.2 million 4.4 million shares of our common stock for $7.2 billion $2.0 billion and paid dividends of $1.6 billion $0.6 billion.
- We completed a debt offering for an aggregate principal amount of $1.5 billion.

Non-GAAP Financial Information

Non-GAAP financial information is defined as a numerical measure of a company's performance that excludes or includes amounts so as to be different than the most comparable measure calculated and presented in accordance with accounting principles generally accepted in the United States ("GAAP"). Our As described more fully below, our non-GAAP financial measures exclude the impact of gains and losses on our equity investments which includes mark-to-market fair value adjustments, impairments and gains and losses upon disposition, and as well as the related tax impacts. Our non-GAAP financial measures also exclude the impact of special items, where applicable, which represent litigation judgments and settlements and certain one-time items, as well as the related tax impacts ("Special Items"). We also present growth rates adjusted for the impact of currency which is a non-GAAP financial measure. We believe that the non-GAAP financial measures presented facilitate an understanding of our operating performance and provide a meaningful comparison of our results between periods. We use non-GAAP financial measures to, among other things, evaluate our ongoing operations in relation to historical results, for internal planning and forecasting purposes and in the calculation of performance-based compensation. We excluded these Special Items items because management evaluates the underlying operations and performance of the Company separately from these recurring and nonrecurring items. Net revenue, operating Operating expenses, operating margin, other income (expense), effective income tax rate, net income and diluted earnings per share adjusted for the impact of gains and losses on our equity investments, Special Items and/or the impact of currency, should not be relied upon as substitutes for measures calculated in accordance with GAAP.

Our non-GAAP financial measures for the comparable periods exclude the impact of the following:

Gains and Losses on Equity Investments

- In the three and nine months ended September 30, 2023 March 31, 2024, and 2023, we recorded net losses gains of $6 million ($5 million after tax, or an immaterial impact $0.01 per diluted share) and $95 million net losses of $212 million ($63 176 million after tax, or $0.07 $0.18 per diluted share), respectively, primarily related to unrealized fair market value adjustments on marketable and nonmarketable equity securities.

 In the **27**three and nine months ended September 30, 2022, we recorded net gains of $60 million ($66 million after tax, or $0.07 per diluted share) and net losses of $133 million ($114 million after tax, or $0.12 per diluted share), respectively, primarily related to unrealized fair market value adjustments on marketable and non-marketable equity securities.

Special Items

Litigation provisions

- In the nine three months ended September 30, 2023 March 31, 2024, we recorded charges of $231 million $126 million ($156 87 million after tax, or $0.16 $0.09 per diluted share), primarily as due to a result of a change in estimate related to legal provision associated with the claims of merchants who opted out of the U.S. merchant class litigation. ATM non-discrimination rule surcharge complaints.
- In the third quarter of 2022, three months ended March 31, 2023, we recorded charges of $208 million $211 million ($162 140 million after tax, or $0.17 per diluted share) as a result of developments in settlement discussions with certain U.K. merchants, including a settlement reached with one of those merchants.
- In the second quarter of 2022, we recorded charges of $133 million ($89 million after tax, or $0.09 $0.15 per diluted share) as a result of a change in estimate related to the claims of merchants who opted out of the U.S. merchant class litigation.

Russia-related impacts

- In the nine months ended September 30, 2022, we recorded a net charge of $30 million ($24 million after tax, or $0.02 per diluted share), directly related to imposed sanctions and the suspension of our business operations in Russia. The net charge was comprised of general and administrative expenses of $67 million, primarily related to incremental employee-related costs and reserves on uncollectible balances with certain sanctioned customers. This charge was offset by net benefits of $37 million, in net revenue, primarily related to a reduction in payment network rebates and incentives liabilities as a result of lower estimates of customer performance for certain customer business agreements due to the suspension of our business operations in Russia.

See Note 6 5 (Investments) and Note 15 13 (Legal and Regulatory Proceedings) to the consolidated financial statements included in Part I, Item 1 of this Report and "Management Discussion and Analysis of Financial Condition and Results of Operations - Russia and Ukraine" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2022, for further discussion related to certain of our non-GAAP financial measures. the items discussed above.

Currency-neutral Growth Rates

Currency-neutral growth rates are calculated by remeasuring the prior period's results using the current period's exchange rates for both the translational and transactional impacts on operating results. results and are non-GAAP financial measures. The impact of currency translation represents the effect of translating operating results where the functional currency is different than from our U.S. dollar reporting currency. The impact of the transactional currency represents the effect of converting revenue and expenses occurring in a currency other than the functional currency of the entity. The impact of the related realized gains and losses resulting from our foreign exchange derivative contracts designated as cash flow hedging instruments is recognized in the respective financial statement line item on the statement of operations when the underlying forecasted transactions impact earnings. We believe the presentation of currency-neutral growth rates provides relevant information to facilitate an understanding of our operating results.

The translational and transactional impact of currency and the related impact of our foreign exchange derivative contracts designated as cash flow hedging instruments ("Currency impact") has been excluded from our currency-neutral growth rates and has been identified in the non-GAAP information below and our "Drivers of Change" tables. See "Foreign Currency - Currency Impact" for further information on our currency impacts and "Financial Results - Net Revenue" and "Financial Results - Operating Expenses" for our "Drivers of Change" tables.

The following tables reconcile our reported financial measures calculated in accordance with GAAP to the respective adjusted non-GAAP financial measures:

	Three Months Ended September 30, 2023						
	Net revenue	Operating expenses	Operating margin	Other income (expense)	Effective income tax rate	Net income	Diluted earnings per share
	($ in millions, except per share data)						
Reported - GAAP	$ 6,533	$ 2,689	58.8 %	$ (83)	15.0 %	$ 3,198	$ 3.39
(Gains) losses on equity investments	**	**	**	6	— %	5	—
Adjusted - Non-GAAP	$ 6,533	$ 2,689	58.8 %	$ (78)	15.0 %	$ 3,202	$ 3.39

		Nine Months Ended September 30, 2023						
		Net revenue	Operating expenses	Operating margin	Other income (expense)	Effective income tax rate	Net income	Diluted earnings per share
		($ in millions, except per share data)						
		Three Months Ended March 31, 2024						
		Three Months Ended March 31, 2024						
		Three Months Ended March 31, 2024						
		Operating expenses	Operating expenses	Operating margin	Other income (expense)	Effective income tax rate	Net income	Diluted earnings per share
		($ in millions, except per share data)						($ in millions, except per share data)
Reported - GAAP	Reported - GAAP	$ 18,550	$ 7,914	57.3 %	$ (318)	18.6 %	$ 8,404	$ 8.85
(Gains) losses on equity investments	(Gains) losses on equity investments	**	**	**	95	0.1 %	63	0.07
Litigation provisions	Litigation provisions	**	(231)	1.2 %	**	0.3 %	156	0.16
Adjusted - Non-GAAP	Adjusted - Non-GAAP	$ 18,550	$ 7,683	58.6 %	$ (223)	19.0 %	$ 8,622	$ 9.08
Adjusted - Non-GAAP								
Adjusted - Non-GAAP								

	Three Months Ended September 30, 2022						
	Net revenue	Operating expenses	Operating margin	Other income (expense)	Effective income tax rate	Net income	Diluted earnings per share
	($ in millions, except per share data)						
Reported - GAAP	$ 5,756	$ 2,644	54.1 %	$ (40)	18.6 %	$ 2,499	$ 2.58
(Gains) losses on equity investments	**	**	**	(60)	0.6 %	(66)	(0.07)
Litigation provisions	**	(208)	3.6 %	**	0.2 %	162	0.17
Adjusted - Non-GAAP	$ 5,756	$ 2,437	57.7 %	$ (99)	19.4 %	$ 2,595	$ 2.68

	Nine Months Ended September 30, 2022						
	Net revenue	Operating expenses	Operating margin	Other income (expense)	Effective income tax rate	Net income	Diluted earnings per share

	($ in millions, except per share data)						
	Three Months Ended March 31, 2023						
	Three Months Ended March 31, 2023						
	Three Months Ended March 31, 2023						
	Operating expenses	Operating expenses	Operating margin	Other income (expense)	Effective income tax rate	Net income	Diluted earnings per share
	($ in millions, except per share data)						($ in millions, except per share data)
Reported - GAAP Reported - GAAP	$ 16,420	$ 7,340	55.3 %	$ (437)	14.3 %	$7,405	$ 7.60
(Gains) losses on equity investments (Gains) losses on equity investments	**	**	**	133	— %	114	0.12
Litigation provisions Litigation provisions	**	(341)	2.1 %	**	0.5 %	251	0.26
Russia-related impacts	(37)	(67)	0.3 %	**	— %	24	0.02
Adjusted - Non-GAAP Adjusted - Non-GAAP	$ 16,383	$ 6,932	57.7 %	$ (303)	14.8 %	$7,794	$ 8.00
Adjusted - Non-GAAP							
Adjusted - Non-GAAP							

Note: Tables may not sum due to rounding.

** Not applicable.

The following tables represent table represents the reconciliation of our growth rates reported under GAAP to our non-GAAP growth rates:

	Three Months Ended September 30, 2023 as compared to the Three Months Ended September 30, 2022					
	Increase/(Decrease)					
	Net revenue	Operating expenses	Operating margin	Effective income tax rate	Net income	Diluted earnings per share
Reported - GAAP	14%	2%	4.8 ppt	(3.7) ppt	28%	31%
(Gains) losses on equity investments	**	**	**	(0.6) ppt	4%	4%
Litigation provisions	**	9%	(3.6) ppt	(0.2) ppt	(8)%	(8)%
Adjusted - Non-GAAP	14%	10%	1.2 ppt	(4.4) ppt	23%	26%
Currency impact	(2)%	(1)%	(0.4) ppt	(0.2) ppt	(3)%	(3)%
Adjusted - Non-GAAP - currency-neutral	11%	9%	0.8 ppt	(4.6) ppt	21%	24%

	Nine Months Ended September 30, 2023 as compared to the Nine Months Ended September 30, 2022					
	Increase/(Decrease)					
	Net revenue	Operating expenses	Operating margin	Effective income tax rate	Net income	Diluted earnings per share
	Three Months Ended March 31, 2024 as compared to the Three Months Ended March 31, 2023					
	Three Months Ended March 31, 2024 as compared to the Three Months Ended March 31, 2023					

		Three Months Ended March 31, 2024 as compared to the Three Months Ended March 31, 2023											
		Increase/(Decrease)							Increase/(Decrease)				
		Operating expenses							Operating expenses	Operating margin	Effective income tax rate	Net income	Diluted earnings per share
Reported - GAAP	Reported - GAAP	13%	8%	2.0 ppt	4.2 ppt	13%	16%	Reported - GAAP	5%	2.2 ppt	(1.9) ppt	28%	30%
(Gains) losses on equity investments	(Gains) losses on equity investments	**	**	**	0.1 ppt	(1)%	(1)%	(Gains) losses on equity investments	**	**	— ppt	(9)%	
Litigation provisions	Litigation provisions	**	2%	(0.8) ppt	(0.1) ppt	(2)%	(2)%	Litigation provisions	4%	(1.7) ppt	(0.5) ppt	(3)%	
Russia-related impacts		—%	1%	(0.2) ppt	— ppt	—%	—%						
Adjusted - Non-GAAP													
Adjusted - Non-GAAP													
Adjusted - Non-GAAP	Adjusted - Non-GAAP	13%	11%	0.9 ppt	4.2 ppt	11%	14%		9%	0.5 ppt	(2.3) ppt	16%	18%
Currency impact	Currency impact	—%	—%	(0.1) ppt	(0.1) ppt	—%	—%	Currency impact	—%	0.1 ppt	(0.1) ppt	1%	—%
Adjusted - Non-GAAP - currency-neutral	Adjusted - Non-GAAP - currency-neutral	14%	11%	0.8 ppt	4.1 ppt	11%	14%	Adjusted - Non-GAAP - currency-neutral	9%	0.7 ppt	(2.4) ppt	16%	19%

Note: Tables Table may not sum due to rounding.

** Not applicable.

Key Metrics and Drivers

In addition to the financial measures described above in "Financial Results Overview", we review the following metrics to evaluate and identify trends in our business, measure our performance, prepare financial projections and make strategic decisions. We believe that the key metrics presented facilitate an understanding of our operating and financial performance and provide a meaningful comparison of our results between periods.

Operating Margin measures how much profit we make on each dollar of sales after our operating costs but before other income (expense) and income tax expense. Operating margin is calculated by dividing our operating income by net revenue.

Key Drivers

Gross Dollar Volume ("GDV")[1] measures dollar volume of activity, including both domestic and cross-border volume, on cards carrying our brands during the period, on a local currency basis and U.S. dollar-converted basis. GDV represents purchase volume plus cash volume; "purchase volume" means the aggregate dollar amount of purchases made with Mastercard-branded cards for the relevant period; and "cash volume" means the aggregate dollar amount of cash disbursements and includes the impact of balance transfers and convenience checks obtained with Mastercard-branded cards for the relevant period. Information denominated in U.S. dollars relating to GDV is calculated by applying an established U.S. dollar/local currency exchange rate for each local currency in which our volumes are reported. These exchange rates are calculated on a quarterly basis using the average exchange rate for each quarter. We report period-over-period rates of change in purchase volume and cash volume on the basis of local currency information, in order to eliminate the impact of changes in the value of currencies against the U.S. dollar in calculating such rates of change.

Cross-border Volume Growth measures the growth of cross-border dollar volume during the period, on a local currency basis and U.S. dollar-converted basis, for all Mastercard-branded programs.

Switched Transactions measures the number of transactions switched by Mastercard, which is defined as the number of transactions initiated and switched through our network during the period.

[1] Data used in the calculation of GDV is provided by Mastercard customers and is subject to verification by Mastercard and partial cross-checking against information provided by Mastercard's transaction switching systems. All data is subject to revision and amendment by Mastercard or Mastercard's customers. Starting in the first quarter of 2022, data related to sanctioned Russian banks was not reported to us and therefore such amounts are not included. Subsequent to the suspension of our business operations in Russia in March 2022, there is no Russian data to be reported.

Cross-border Volume Growth[2] measures the growth of cross-border dollar volume during the period, on a local currency basis and U.S. dollar-converted basis, for all Mastercard-branded programs.

Switched Transactions[2] measures the number of transactions switched by Mastercard, which is defined as the number of transactions initiated and switched through our network during the period.

[2] Growth rates are normalized to eliminate the effects of differing switching and carryover days between periods, as needed. Carryover days are those where transactions and volumes from days where the Company does not clear and settle are processed.

The following tables provide a summary of the growth trends in our key drivers:

	Three Months Ended March 31,
	Three Months Ended March 31,
	Three Months Ended March 31,
	2024
	2024
	2024
	Increase/(Decrease)
	Increase/(Decrease)
	Increase/(Decrease)
	USD
	USD
	USD
Mastercard-branded GDV growth [1]	
Mastercard-branded GDV growth [1]	
Mastercard-branded GDV growth [1]	
United States	
United States	
United States	
Worldwide less United States	
Worldwide less United States	
Worldwide less United States	
Cross-border volume growth [1]	
Cross-border volume growth [1]	
Cross-border volume growth [1]	

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023		2022		2023		2022	
	Increase/(Decrease)				Increase/(Decrease)			
	USD	Local	USD	Local	USD	Local	USD	Local
Mastercard-branded GDV growth [1]	11%	11%	4%	12%	10%	13%	8%	14%
United States	5%	5%	10%	10%	6%	6%	11%	11%
Worldwide less United States	14%	13%	1%	12%	12%	16%	6%	16%
Cross-border volume growth [1]	26%	21%	29%	44%	26%	26%	39%	51%
Mastercard-branded GDV growth adjusted for Russia [1,2]	11%	11%	9%	18%	11%	13%	12%	19%

Worldwide less United States GDV growth adjusted for Russia [1,2]	14%	13%	8%	23%	13%	16%	13%	24%
Cross-border volume growth adjusted for Russia [1,2]	26%	21%	33%	50%	27%	27%	42%	55%

	Three Months Ended March 31,
	2024
	Increase/(Decrease)
Switched transactions growth	

Three Months Ended March 31,
Three Months Ended March 31,
2024
2024
Increase/(Decrease)
Increase/(Decrease)
Switched transactions growth
Switched transactions growth

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	Increase/(Decrease)		Increase/(Decrease)	
Switched transactions growth	15%	9%	15%	14%
Switched transactions growth adjusted for Russia [2]	15%	19%	17%	22%

1 Excludes volume generated by Maestro and Cirrus cards.

2 Starting in the first quarter of 2022, as a result of imposed sanctions and the suspension of our business operations in Russia, we have provided adjusted growth rates for our key drivers excluding activity from Russian issued cards from the prior periods. See “Management Discussion and Analysis of Financial Condition and Results of Operations - Russia and Ukraine” in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2022 for further information.

Key Metrics related to the Payment Network

Assessments represent agreed-upon standard pricing provided to our customers based on various forms of payment-related activity. Assessments are used internally by management to monitor operating performance as it allows for comparability and provides visibility into cardholder trends. Assessments do not represent our net revenue.

The following provides additional information on our key metrics related to the payment network:

- **Domestic assessments** are charges based on activity related to cards that carry the Company’s brands where the merchant country and the country of issuance are the same. These assessments are primarily driven by the domestic dollar volume of activity (e.g., domestic purchase volume, domestic cash volume) or the number of cards issued.
- **Cross-border assessments** are charges based on activity related to cards that carry the Company’s brands where the merchant country and the country of issuance are different. These assessments are primarily driven by the cross-border dollar volume of activity (e.g., cross-border purchase volume, cross-border cash volume).

- **Transaction processing assessments** are charges primarily driven by the number of switched transactions on our payment network. Switching activities include:
  - Authorization, the process by which a transaction is routed to the issuer for approval
  - Clearing, the determination and exchange of financial transaction information between issuers and acquirers after a transaction has been successfully conducted at the point of interaction
  - Settlement, which facilitates the determination and exchange of funds between parties

  These assessments can also include connectivity services and network access which are based on the volume of data transmitted and the number of authorization and settlement messages.
- **Other network assessments** are charges for licensing, implementation and other franchise fees.

The following table provides a summary of our key metrics related to the payment network:

	Three Months Ended September 30,	Increase/(Decrease)	Nine Months Ended September 30,	Increase/(Decrease)

		2023	2022	As reported	Currency-neutral	2023	2022	As reported	Currency-neutral
			($ in millions)				($ in millions)		
		Three Months Ended March 31,							
		Three Months Ended March 31,							
		Three Months Ended March 31,							
		2023							
		2023							
		2023							
			($ in millions)						
			($ in millions)						
			($ in millions)						
Domestic assessments									
Domestic assessments									
Domestic assessments	Domestic assessments	$ 2,460	$ 2,220	11%	10%	$ 7,182	$ 6,579	9%	10%
Cross-border assessments	Cross-border assessments	2,313	1,804	28%	26%	6,211	4,806	29%	31%
Cross-border assessments									
Cross-border assessments									
Transaction processing assessments									
Transaction processing assessments									
Transaction processing assessments	Transaction processing assessments	3,172	2,786	14%	11%	8,902	7,815	14%	14%
Other network assessments	Other network assessments	229	195	17%	17%	712	576	24%	24%
Other network assessments									
Other network assessments									

Foreign Currency

Currency Impact

Our primary revenue functional currencies are the U.S. dollar, euro, British pound and the Brazilian real. Our overall operating results are impacted by currency translation, which represents the effect of translating operating results where the functional currency is different than our U.S. dollar reporting currency.

Our operating results are also impacted by transactional currency. The impact of the transactional currency represents the effect of converting revenue and expense transactions occurring in a currency other than the functional currency. Changes in currency exchange rates directly impact the calculation of gross dollar volume ("GDV"), which are is used in the calculation of our key metrics related to domestic assessments and cross-border assessments as well as certain volume-related rebates and incentives. GDV is calculated based on local currency spending volume converted to U.S. dollars and euros using average exchange rates for the period. As a result, our key metrics related to domestic assessments and cross-border assessments as well as certain volume-related rebates and incentives are impacted by the strengthening or weakening of the U.S. dollar and euro versus local currencies. For example, our billing in Australia is in the U.S. dollar, however, consumer spend in Australia is in the Australian dollar. The transactional currency transactional impact of converting Australian dollars to our U.S. dollar billing currency will have an impact on the revenue generated. The strengthening or weakening of the U.S. dollar is evident when GDV growth on a U.S. dollar-converted basis is compared to GDV growth on a local currency basis. For the three and nine months ended September 30, 2023 March 31, 2024, GDV on a U.S. dollar-converted basis increased 11% and 10%, respectively, 9% while GDV on a local currency basis increased 11% and 13%, respectively, 10% versus the comparable periods in 2022. 2023. Further, the impact from transactional currency occurs in our key metric related to transaction processing assessments and other network assessments as well as value-added services and solutions revenue and operating expenses when the transacting currency of these items is different than the functional currency of the entity.

To manage the impact of foreign currency variability on anticipated revenues and expenses, we may enter into foreign exchange derivative contracts and designate such derivatives as hedging instruments in a cash flow hedging relationship as discussed further in Note 17 15 (Derivative and Hedging Instruments) to the consolidated financial statements included in Part I, Item 1.

Foreign Exchange Activity

We incur foreign currency gains and losses from remeasuring monetary assets and liabilities, including settlement assets and obligations, that are denominated in a currency other than the functional currency of the entity. To manage this foreign exchange risk, we may enter into foreign exchange derivative contracts to economically hedge the foreign currency exposure of our nonfunctional currency monetary assets and liabilities. The gains or losses resulting from the changes in fair value of these contracts are intended to reduce the potential effect of the underlying hedged exposure and are recorded net within general and administrative expenses on the consolidated statement of operations. The impact of this foreign exchange activity, including the related hedging activities, has not been eliminated in our currency-neutral results.

Our foreign exchange risk management activities are discussed further in Note 17 15 (Derivative and Hedging Instruments) to the consolidated financial statements included in Part I, Item 1.

Risk of Currency Devaluation

We are exposed to currency devaluation in certain countries. In addition, we are subject to exchange control regulations that restrict the conversion of financial assets into U.S. dollars. While these revenues and assets are not material to us on a consolidated basis, we can be negatively impacted should there be a continued and sustained devaluation of local currencies relative to the U.S. dollar and/or a continued and sustained deterioration of economic conditions in these countries.

Financial Results

Net Revenue

The components of net revenue were as follows:

	Three Months Ended September 30,			Increase/(Decrease)		Nine Months Ended September 30,			Increase/(Decrease)	
	2023	2022	2021	2023	2022	2023	2022	2021	2023	2022
	($ in millions)					($ in millions)				
Payment network	$ 4,210	$ 3,765	$ 3,234	12%	16%	$ 11,933	$ 10,773	$ 8,757	11%	23%
Value-added services and solutions	2,323	1,991	1,751	17%	14%	6,617	5,647	4,911	17%	15%
Total net revenue	6,533	5,756	4,985	14%	15%	18,550	16,420	13,668	13%	20%
Special Items [1]	—	—	—	**	**	—	(37)	—	**	**
Adjusted net revenue (excluding Special Items [1])	$ 6,533	$ 5,756	$ 4,985	14%	15%	$ 18,550	$ 16,383	$ 13,668	13%	20%

Note: Table may not sum due to rounding.

** Not meaningful.

[1] See “Non-GAAP Financial Information” for further information on our non-GAAP adjustments and the reconciliation to GAAP reported amounts.

2023

	Three Months Ended March 31,		Increase/(Decrease)
	2024	2023	
	($ in millions)		
Payment network	$ 3,920	$ 3,650	7%
Value-added services and solutions	2,428	2,098	16%
Total net revenue	$ 6,348	$ 5,748	10%

For the three months ended September 30, 2023 March 31, 2024, net revenue increased 14% versus the comparable period in 2022. Adjusted net revenue increased 14% 10%, or 11% on a currency-neutral basis. basis, versus the comparable period in 2023. The increase in net revenue was attributable to both our payment network and value-added services and solutions.

Net revenue from our payment network increased 12% 7%, or 10% 8% on a currency-neutral basis, versus the comparable period in 2022. 2023. The increase was primarily driven by growth in domestic and cross-border dollar volumes and an increase in the number of switched transactions, reflecting trends of growth in our key drivers. Net revenue from our payment network included $3,963 million of rebates and incentives provided to customers, which increased 22% as reported, or 20% on a currency-neutral basis, versus the comparable period in 2022, primarily due to an increase in our key drivers as well as new and renewed deals.

Net revenue from our value-added services and solutions increased 17%, or 14% on a currency-neutral basis, versus the comparable period in 2022. The increase was driven primarily by the continued growth of (i) our cyber and intelligence solutions, driven by our underlying key drivers and demand for our fraud and security solutions, and (ii) demand for our consulting and marketing services, as well as our loyalty solutions, partially offset by (iii) other solutions.

For the nine months ended September 30, 2023, net revenue increased 13% versus the comparable period in 2022. Adjusted net revenue increased 13%, or 14% on a currency-neutral basis. The increase in net revenue was attributable to both our payment network and value-added services and solutions.

Net revenue from our payment network increased 11%, as reported and on a currency-neutral basis, versus the comparable period in 2022. The increase was primarily driven by growth in domestic and cross-border dollar volumes and an increase in the number of switched transactions, reflecting trends of growth in our key drivers. Net revenue from our payment network included $11,074 million $4,100 million of rebates and incentives provided to customers, which increased 23% 20%, on both an as reported and on a currency-neutral basis, versus the comparable period in 2022, 2023, primarily due to to an increase in our key drivers as well as new and renewed deals.

Net revenue from our value-added services and solutions increased 17%, as reported and on a currency-neutral basis, versus the comparable period in 2022, which included a 1 percentage point increase from acquisitions. The remaining increase was driven primarily by the continued growth of (i) our cyber and intelligence solutions, driven by our underlying key drivers and demand for our fraud and security solutions, and (ii) demand for our consulting and marketing services, as well as our loyalty solutions, partially offset by (iii) other solutions.

2022

For the three months ended September 30, 2022, net revenue increased 15% versus the comparable period in 2021. Adjusted net revenue increased 15%, or 23% on a currency-neutral basis, and included 1 percentage point of growth from acquisitions. The increase in net revenue was attributable to both our payment network and value-added services and solutions.

Net revenue from our payment network value-added services and solutions increased 16%, or 24% 15% on a currency-neutral basis, versus the comparable period in 2021. 2023. The increase was primarily driven by growth in domestic and cross-border dollar volumes and an increase in the number of switched transactions, reflecting trends of growth in our key drivers. Net revenue from our payment network included $3,240 million of rebates and incentives provided to customers, which increased 19%, or 25% on a currency-neutral basis, versus the comparable period in 2021, primarily due to an increase in our key drivers as well as new and renewed deals.

Net revenue from our value-added services and solutions increased 14%, or 21% on a currency-neutral basis, versus the comparable period in 2021, which included a 2 percentage point increase from acquisitions. The remaining increase was driven primarily by the continued growth of (i) our cyber and intelligence solutions, driven by growth in (i) our underlying key drivers, (ii) our consulting and demand for our marketing services, loyalty solutions and fraud and security solutions, as well as the scaling of our identity capabilities and authentication solutions and (ii) demand for our data analytics and marketing services.

For the nine months ended September 30, 2022, net revenue increased 20% versus the comparable period in 2021. Adjusted net revenue increased 20%, or 25% on a currency-neutral basis. The increase in net revenue was attributable to both our payment network and value-added services and solutions and included 1 percentage points of growth from acquisitions.

Net revenue from our payment network increased 23%, or 29% on a currency-neutral basis, versus the comparable period in 2021. The increase was primarily driven by growth in domestic and cross-border dollar volumes and an increase in the number of switched transactions, reflecting trends of growth in our key drivers. Net revenue from our payment network included $9,003 million of rebates and incentives provided to customers, which increased 21%, or 25% on a currency-neutral basis, versus the comparable period in 2021, primarily due to an increase in our key drivers as well as new and renewed deals.

Net revenue from our value-added services and solutions increased 15%, or 20% on a currency-neutral basis, versus the comparable period in 2021, which included a 4 percentage point increase from acquisitions. The remaining increase was driven primarily by the continued growth of (i) our cyber and intelligence solutions, driven by growth in our underlying key drivers and demand for our fraud and security solutions, as well as the scaling of our identity and authentication solutions and (ii) demand for our data analytics and consulting services. (iii) other solutions.

See Note 3 (Revenue) to the consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 for a further discussion of how we recognize revenue.

our revenue recognition policies.

Drivers of Change

The following tables summarize table summarizes the drivers of change in net revenue:

	Three Months Ended September 30,									
	Increase/(Decrease)									
	Operational		Acquisitions		Currency Impact [3]		Special Items [4]		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Payment network	10 % [1]	24 % [1]	**	**	2 %	(8)%	**	— %	12 %	16 %
Value-added services and solutions	13 % [2]	19 % [2]	— %	2 %	3 %	(7)%	**	**	17 %	14 %
Net revenue	11 %	22 %	— %	1 %	2 %	(7)%	— %	— %	14 %	15 %

	Nine Months Ended September 30,									
	Increase/(Decrease)									
	Operational		Acquisitions		Currency Impact [3]		Special Items [4]		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Three Months Ended March 31, 2024									
	Three Months Ended March 31, 2024									
	Three Months Ended March 31, 2024									

		Increase/(Decrease)										Increase/(Decrease)
		Operational										
Payment network	Payment network	12 %[1]	29 %[1]	**	**	— %	(6)%	**	— %	11 %	23 %	
Payment network												
Payment network												
Value-added services and solutions												
Value-added services and solutions												
Value-added services and solutions	Value-added services and solutions	16 %[2]	16 %[2]	1 %	4 %	1 %	(5)%	**	**	17 %	15 %	
Net revenue	Net revenue	13 %	24 %	— %	1 %	— %	(6)%	— %	— %	13 %	20 %	
Net revenue												
Net revenue												

Note: Tables Table may not sum due to rounding.

** Not applicable.

1 Includes impacts from our key drivers and metrics, offset by rebates and incentives.

2 Includes impacts from cyber and intelligence, data and services, processing and gateway, ACH batch and real-time account-based domestic and cross-border payments and solutions, open banking and digital identity, offset by rebates and incentives.

3 Includes the translational and transactional impact of currency and the related impact of our foreign exchange derivative contracts designated as cash flow hedging instruments.

4 See "Non-GAAP Financial Information" Information - Currency-neutral Growth Rates" for further information on our currency impact non-GAAP adjustments and the reconciliation to GAAP reported amounts. adjustment.

Operating Expenses

For the three months ended September 30, 2023 March 31, 2024, operating expenses increased 2% 5% versus the comparable period in 2022. 2023. Adjusted operating expenses increased 10%, or 9% on a currency-neutral basis, versus the comparable period in 2022, which included a 1 percentage point increase from acquisitions. The remaining increase was primarily due to higher personnel costs.

For the nine months ended September 30, 2023, operating expenses increased 8% versus the comparable period in 2022. Operating expenses increased 11%, on both an as-adjusted as adjusted and currency-neutral basis, versus the comparable period in 2022, which included a 1 percentage point increase from acquisitions. The remaining increase was primarily due to higher personnel costs. 2023.

The components of operating expenses were as follows:

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Increase/ (Decrease)	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Increase/ (Decrease)
	($ in millions)					
General and administrative	$ 2,285	$ 2,069	10%	$ 6,528	$ 5,860	11%
Advertising and marketing	193	182	6%	561	573	(2)%

	Three Months Ended March 31, 2024	Three Months Ended March 31,		Increase/ (Decrease)	
	($ in millions)				
General and administrative	$ 2,286	$	$ 2,043	12%	12%
Advertising and marketing	116	167	167	(31)%	(31)%

Depreciation and amortization	Depreciation and amortization	211	185	14%	594	566	5%	Depreciation and amortization	216	191	191	13%	13%
Provision for litigation	Provision for litigation	—	208	**	231	341	**	Provision for litigation	126	211	211	**	**
Total operating expenses	Total operating expenses	2,689	2,644	2%	7,914	7,340	8%	Total operating expenses	2,744	2,612	2,612	5%	5%
Special Items [1]	Special Items [1]	—	(208)	**	(231)	(408)	**	Special Items [1]	(126)	(211)	(211)	**	**
Adjusted total operating expenses (excluding Special Items [1])	Adjusted total operating expenses (excluding Special Items [1])	$ 2,689	$ 2,437	10%	$ 7,683	$ 6,932	11%	Adjusted total operating expenses (excluding Special Items [1])	$ 2,617	$	$ 2,401	9%	9%

Note: Table may not sum due to rounding.

** Not meaningful.

[1] See "Non-GAAP Financial Information" for further information on our non-GAAP adjustments and the reconciliation to GAAP reported amounts.

Drivers of Change

The following tables summarize table summarizes the drivers of changes in operating expenses:

	Three Months Ended September 30, 2023				
	Increase/(Decrease)				
	Operational	Acquisitions	Currency Impact [1]	Special Items [2, 3]	Total
General and administrative	9%	1%	1%	**	10%
Advertising and marketing	4%	—%	2%	**	6%
Depreciation and amortization	11%	—%	3%	**	14%
Provision for litigation	**	**	**	**	**
Total operating expenses	9%	1%	1%	(9)%	2%

		Nine Months Ended September 30, 2023				
		Increase/(Decrease)				
		Operational	Acquisitions	Currency Impact [1]	Special Items [2]	Total
General and administrative	General and administrative	12%	1%	(1)%	(1)%	11%
Advertising and marketing	Advertising and marketing	(2)%	—%	—%	**	(2)%
Depreciation and amortization	Depreciation and amortization	4%	1%	—%	**	5%

	Three Months Ended March 31, 2024				
	Increase/(Decrease)				
	Operational	Acquisitions	Currency Impact [1,2]	Special Items [2,3]	Total
General and administrative	11%	—%		**	12%
Advertising and marketing	(31)%	—%		**	(31)%
Depreciation and amortization	12%	—%	1%	**	13%

Provision for litigation	Provision for litigation	**	**	**	**	**	Provision for litigation			**	
Total operating expenses	Total operating expenses	10%	1%	—%	(3)%	8%	Total operating expenses	8%	— %	(4)%	5%

Note: Tables Table may not sum due to rounding.

** Not applicable/meaningful.

1 Represents the translational and transactional impact of currency.

2 See “Non-GAAP Financial Information” for further information on our non-GAAP adjustments and the reconciliation to GAAP reported amounts.

3 The Special Items driver impact of change related to provision for litigation is reflected in total operating expenses.

General and Administrative

For the three months ended September 30, 2023 March 31, 2024, general and administrative expenses increased 10%, or 9% 12% on a both an as reported and currency-neutral basis, versus the comparable period in 2022. Current period results included growth of 1 percentage points from acquisitions. 2023. The increase was primarily due to higher personnel and data processing costs to support our the continued investment in our strategic initiatives across payments, services and new network capabilities.

For the nine months ended September 30, 2023, general and administrative expenses increased 11%, or 12% on a currency-neutral basis, versus the comparable period in 2022. Current period results included growth of 1 percentage points from acquisitions. The remaining increase was primarily due to higher personnel costs to support our continued investment in our strategic initiatives across payments, services and new network capabilities, partially offset by a decrease of 1 percentage point from the Special Item for Russia-related impacts in 2022.

The components of general and administrative expenses were as follows:

		Three Months Ended March 31,												
		Three Months Ended March 31,												
		Three Months Ended March 31,							Increase/(Decrease)					
		Three Months Ended September 30,		Increase/	Nine Months Ended September 30,									
		2023	2022	(Decrease)	2023	2022	Increase/(Decrease)							
		($ in millions)							($ in millions)					
Personnel 1		$1,573	$1,382	14%	$4,494	$3,882	16%							
Personnel								Personnel		$1,514		$1,426		6%
Professional fees	Professional fees	118	118	—%	332	313	6%	Professional fees		116	100	100	15%	15%
Data processing and telecommunications	Data processing and telecommunications	262	228	15%	743	688	8%	Data processing and telecommunications		263	235	235	12%	12%
Foreign exchange activity 2		25	38	**	65	109	**							
Other 1		307	303	2%	894	868	3%							
Foreign exchange activity 1								Foreign exchange activity 1		28		16		**
Other								Other		365		266		38%
Total general and administrative expenses	Total general and administrative expenses	$2,285	$2,069	10%	$6,528	$5,860	11%	Total general and administrative expenses		$2,286	$	$2,043	12%	12%

Note: Table may not sum due to rounding.

** Not meaningful.

1 For the nine months ended September 30, 2022, total general and administrative expenses includes a Special Item for Russia-related impacts of $67 million, of which $35 million is included within Personnel and $32 million is included within Other. See “Non-GAAP Financial Information” for further information on our non-GAAP adjustments and the reconciliation to GAAP reported amounts.

2 Foreign exchange activity includes the impact of remeasurement of assets and liabilities denominated in foreign currencies net of the impact of gains and losses on foreign exchange derivative contracts. See Note 17 15 (Derivative and Hedging Instruments) to the consolidated financial statements included in Part I, Item 1 for further discussion.

Advertising and Marketing

For the three months ended September 30, 2023, advertising and marketing expenses increased 6%, or 4% on a currency-neutral basis, versus the comparable period in 2022, primarily due to an increase in spending on sponsorships.

For the nine months ended September 30, 2023 March 31, 2024, advertising and marketing expenses decreased 2% 31% on both an as reported and a currency-neutral basis, versus the comparable period in 2022, 2023, primarily due to a decrease in spending on marketing campaigns and advertising, partially offset by an increase in timing of spending on sponsorships.

Depreciation and Amortization

For the three months ended September 30, 2023 March 31, 2024, depreciation and amortization expenses increased 14% 13%, or 11% 12% on a currency-neutral basis, versus the comparable period in 2022, 2023, primarily due to increased software capitalization.

For capitalization driven by the nine months ended September 30, 2023, depreciation and amortization expenses increased 5% on both an as reported and currency-neutral basis, versus the comparable period in 2022, primarily due to increased software capitalization. continued growth of our business.

Provision for Litigation

For the nine three months ended September 30, 2023 March 31, 2024, we recorded litigation provisions of $231 million as $126 million, primarily due to a result of a change legal provision associated with the ATM non-discrimination rule surcharge complaints. See "Non-GAAP Financial Information" in estimate related to the claims of merchants who opted out of the U.S. merchant class litigation as well as settlements with a number of U.K. this section and Pan-European merchants. See Note 15 13 (Legal and Regulatory Proceedings) to the consolidated financial statements included in Part I, Item 1 of this Report and "Non-GAAP Financial Information" in this section for further discussion.

Other Income (Expense)

For the three months ended September 30, 2023 March 31, 2024, other income (expense) was unfavorable $43 decreased $237 million, versus the comparable period in 2022, primarily due to net losses in the current year versus net gains in the prior year related to unrealized fair market value adjustments on marketable equity securities, partially offset by higher net investment income in the current year. 2023. Adjusted other income (expense) was favorable $21 million versus the prior year, primarily due to an increase in our investment income, partially offset by increased interest expense related to our 2023 debt issuances.

For the nine months ended September 30, 2023, other income (expense) was favorable $119 million, decreased $19 million versus the comparable period in 2022, primarily due to an increase 2023. See the table below for further detail on the changes in our investment income and lower mark-to-market losses in 2023. Adjusted other income (expense) was favorable $80 million versus the prior year, primarily due to an increase in our investment income, partially offset by increased interest expense related to our 2022 and 2023 debt issuances. .

The components of other income (expense) were as follows:

Three Months Ended March 31,

Three Months Ended March 31,

Three Months Ended March 31, | **Increase/ (Decrease)**

		Three Months Ended September 30,			Nine Months Ended September 30,		
		2023	2022	Increase/ (Decrease)	2023	2022	Increase/ (Decrease)
		($ in millions)					
Investment income	Investment income	$ 71	$ 16	**	$ 185	$ 28	**
Gains (losses) on equity investments, net	Gains (losses) on equity investments, net	(6)	60	**	(95)	(133)	**

($ in millions)

Gains (losses) on equity investments, net

Gains (losses) on equity investments, net							
Interest expense							
Interest expense							
Interest expense	Interest expense	(151)	(120)	25%	(427)	(344)	24%
Other income (expense), net	Other income (expense), net	3	4	**	19	12	**
Other income (expense), net							
Other income (expense), net							
Total other income (expense)	Total other income (expense)	(83)	(40)	**	(318)	(437)	**
Total other income (expense)							
Total other income (expense)							
(Gains) losses on equity investments 1							
(Gains) losses on equity investments 1							
(Gains) losses on equity investments 1	(Gains) losses on equity investments 1	6	(60)	**	95	133	**
Adjusted total other income (expense) 1	Adjusted total other income (expense) 1	$ (78)	$ (99)	(21)%	$ (223)	$ (303)	(26)%
Adjusted total other income (expense) 1							
Adjusted total other income (expense) 1							

Note: Table may not sum due to rounding.

** Not meaningful.

1 See "Non-GAAP Financial Information" for further information on our non-GAAP adjustments and the reconciliation to GAAP reported amounts.

Income Taxes

The effective income tax rates were 15.0% 15.4% and 18.6% 17.2% for the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively. The adjusted effective income tax rates were 15.0% 15.9% and 19.4% 18.3% for the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively. Both the as reported and as adjusted effective income tax rates were lower versus the comparable period in 2022, 2023, primarily due to a change in our ability to now claim more U.S. foreign tax credits generated in 2022 and 2023 resulting from Notice 2023-55 (the "Notice"), released by the U.S. Department geographic mix of Treasury ("Treasury") in the current period, partially offset by a $115 million earnings as well as discrete tax expense to establish a valuation allowance on the deferred tax asset benefits related to U.S. foreign share-based payments.

The Organization for Economic Co-operation and Development ("OECD") Pillar 2 guidelines published to date include transition and safe harbor rules around the implementation of the Pillar 2 global minimum tax credits generated prior to 2022.

The of 15%. Based on current enacted legislation effective in 2024 and our structure, we do not expect a material impact in 2024. We are monitoring developments and evaluating the impacts these new rules will have on our future effective income tax rates were 18.6% rate, tax payments, financial condition and 14.3% for the nine months ended September 30, 2023 and 2022, respectively. The adjusted effective income tax rates were 19.0% and 14.8% for the nine months ended September 30, 2023 and 2022, respectively. Both the as reported and as adjusted effective income tax rates were higher versus the comparable period in 2022, primarily due to changes in the valuation allowance associated with the deferred tax asset related to U.S. foreign tax credits. In 2022, we recognized a discrete tax benefit results of $333 million to release the valuation allowance resulting from U.S. tax regulations published in the first quarter of 2022 (the "2022 Regulations"). In 2023, the treatment of foreign taxes paid under the 2022 Regulations changed due to the foreign tax legislation enacted in Brazil and the Notice released by Treasury. Therefore, we recognized a total $327 million discrete tax expense in 2023 to establish the valuation allowance. The discrete tax expense recognized in the nine months ended September 30, 2023 was partially offset by our ability to now claim more U.S. foreign tax credits generated in 2022 and 2023 due to the Notice. operations.

As of September 30, 2023, the deferred tax asset related to U.S. foreign tax credits and corresponding valuation allowance is $575 million due to foreign tax legislation enacted in Brazil and the Notice. The valuation allowance relates to our ability to recognize future tax benefits associated with the carryforward of

U.S. foreign tax credits generated in the current and prior periods. The recognition of the U.S. foreign tax credits is dependent upon the realization of future foreign source income in the appropriate foreign tax credit basket in accordance with U.S. federal income tax law.

Liquidity and Capital Resources

We rely on existing liquidity, cash generated from operations and access to capital to fund our global operations, credit and settlement exposure, capital expenditures, investments in our business and current and potential obligations. The following table summarizes the cash, cash equivalents, investments and credit available to us:

		September 30, 2023	December 31, 2022
		(in billions)	
	March 31, 2024		December 31, 2023
	(in billions)		(in billions)
Cash, cash equivalents and investments [1]	Cash, cash equivalents and investments [1]	$ 7.5	$ 7.4
Unused line of credit	Unused line of credit	8.0	8.0

1 Investments include available-for-sale securities and held-to-maturity securities. This amount excludes restricted cash and restricted cash equivalents of $1.9 billion and $2.2 billion $1.9 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

We believe that our existing cash, cash equivalents and investment securities balances, our cash flow generating capabilities, and our access to capital resources are sufficient to satisfy our future operating cash needs, capital asset purchases, outstanding commitments and other liquidity requirements associated with our existing operations and potential obligations which include litigation provisions and credit and settlement exposure.

Our liquidity and access to capital could be negatively impacted by global credit market conditions. We guarantee the settlement of many of the transactions between our customers. Historically, payments under these guarantees have not been significant; however, historical trends may not be an indication indicative of potential future losses. The risk of loss on these guarantees is specific to individual customers, but may also be driven by regional or global economic and market conditions, including, but not limited to the health of the financial institutions in a country or region. See Note 16 14 (Settlement and Other Risk Management) to the consolidated financial statements in Part I, Item 1 for a description of these guarantees.

Our liquidity and access to capital could also be negatively impacted by the outcome of any of the legal or regulatory proceedings to which we are a party. For additional discussion of these and other risks facing our business, see Part I, Item 1A - Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 and Note 15 13 (Legal and Regulatory Proceedings) to the consolidated financial statements included in Part I, Item 1 of this Report.

Cash Flows

The table below shows a summary of the cash flows from operating, investing and financing activities:

	Nine Months Ended September 30,			
Three Months Ended March 31,			Three Months Ended March 31,	
	2023	2022	2024	2023
	(in millions)		(in millions)	

Net cash provided by operating activities	Net cash provided by operating activities	$7,850	$8,095
Net cash used in investing activities	Net cash used in investing activities	(1,137)	(1,120)
Net cash used in financing activities	Net cash used in financing activities	(7,138)	(6,714)

Net cash provided by operating activities decreased $245 million $247 million for the nine three months ended September 30, 2023 March 31, 2024, versus the comparable period in 2022, 2023, primarily due to higher net income after adjusting for non-cash items, and an increase in restricted security deposits held for customers, more than offset by restricted cash paid for litigation settlement, higher employee incentives paid, higher customer incentive payments and timing of settlement with customers. payments.

Net cash used in investing activities increased $17 million decreased $223 million for the nine three months ended September 30, 2023 March 31, 2024, versus the comparable period in 2022, 2023, primarily due to an increase in capitalized software and purchases higher proceeds from the maturities of investments in time deposits partially offset by less cash paid for business acquisitions in the current year. deposits.

Net cash used in financing activities increased $424 million $726 million for the nine three months ended September 30, 2023 March 31, 2024, versus the comparable period in 2022, 2023, primarily due to higher no cash proceeds received from debt issuances in the current period versus the comparable period, partially offset by less cash paid for repurchases of our Class A common stock in the current year partially offset by higher proceeds from debt issuances.

stock.

Debt and Credit Availability

In March 2023, we issued $750 million principal amount of notes due March 2028 and $750 million principal amount of notes due March 2033 (collectively the "2023 USD Notes"). The net proceeds from the issuance of the 2023 USD Notes, after deducting the original issue discount, underwriting discount and offering expenses, were $1.489 billion. In April 2023, we entered into an additional unsecured INR4.97 billion ($61 million as of the date of settlement) term loan, originally due July 2023 (the "April 2023 INR Term Loan"). In July 2023, we modified and combined the 2022 INR Term Loan and April 2023 INR Term Loan (the "2023 INR Term Loan"), increasing the total unsecured loans to INR28.1 billion ($342 million as of the date of settlement). The 2023 INR Term Loan is due July 2024.

Our total debt outstanding was $15.6 billion $15.6 billion and $14.0 billion $15.7 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, with the earliest maturity of $1 billion $1.0 billion of principal occurring in April 2024.

As of September 30, 2023 March 31, 2024, we have a commercial paper program (the "Commercial Paper Program"), under which we are authorized to issue up to $8 billion in outstanding notes, with maturities up to 397 days from the date of issuance. In conjunction with the Commercial Paper Program, we have a committed unsecured $8 billion revolving credit facility (the "Credit Facility") which expires in November 2027. 2028.

Borrowings under the Commercial Paper Program and the Credit Facility are to be used to provide liquidity for general corporate purposes, including providing liquidity in the event of one or more settlement failures by our customers. In addition, we may borrow and repay amounts under these facilities for business continuity purposes. We had no borrowings outstanding under the Commercial Paper Program or the Credit Facility at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

See Note 10 (Debt) to the consolidated financial statements included in Part I, Item 1 for further discussion on our debt and Note 15 (Debt) to the consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 for further discussion on our debt, the Commercial Paper Program and the Credit Facility.

Dividends and Share Repurchases

We have historically paid quarterly dividends on our outstanding Class A common stock and Class B common stock. Subject to legally available funds, we intend to continue to pay a quarterly cash dividend. The declaration and payment of future dividends is at the sole discretion of our Board of Directors after taking into account various factors, including our financial condition, operating results, available cash and current and anticipated cash needs.

Aggregate payments for quarterly dividends totaled $1,624 million $616 million for the nine three months ended September 30, 2023 March 31, 2024.

On December 6, 2022 December 5, 2023, our Board of Directors declared a quarterly cash dividend of $0.57 $0.66 per share paid on February 9, 2023 February 9, 2024 to holders of record on January 9, 2023 January 9, 2024 of our Class A common stock and Class B common stock. The aggregate amount of this dividend was $545 million $616 million.

On February 14, 2023 February 6, 2024, our Board of Directors declared a quarterly cash dividend of $0.57 $0.66 per share paid share payable on May 9, 2023 May 9, 2024 to holders of record on April 7, 2023 of our Class A common stock and Class B common stock. The aggregate amount of this dividend was $541 million.

On June 26, 2023, our Board of Directors declared a quarterly cash dividend of $0.57 per share payable on August 9, 2023 to holders of record on July 7, 2023 of our Class A common stock and Class B common stock. The aggregate amount of this dividend was $538 million.

On September 19, 2023 our Board of Directors declared a quarterly cash dividend of $0.57 per share payable on November 9, 2023 to holders of record on October 9, 2023 April 9, 2024 of our Class A common stock and Class B common stock. The aggregate amount of this dividend is estimated to be $536 million $615 million.

Repurchased shares of our common stock are considered treasury stock. In December 2022 2023 and November 2021, 2022, our Board of Directors approved share repurchase programs of our Class A common stock authorizing us to repurchase up to $9.0 billion $11.0 billion and $8.0 billion $9.0 billion, respectively. The program approved in 2022 became 2023 will become effective in April 2023 after the completion of the share repurchase program approved in 2021. 2022. The timing and actual number of additional shares repurchased will depend on a variety of factors, including cash requirements to meet the operating needs of the business, legal requirements, as well as the share price and economic and market conditions. The following table summarizes our share repurchase authorizations and repurchase activity of our Class A common stock through September 30, 2023 March 31, 2024:

		(in millions, except average price data)
Remaining authorization at December 31, 2022 December 31, 2023	$	12,174 14,142
Dollar-value of shares repurchased during the nine three months ended September 30, 2023 March 31, 2024 [1]	$	7,200 1,992
Remaining authorization at September 30, 2023 March 31, 2024	$	4,974 12,150
Shares repurchased during the nine three months ended September 30, 2023 March 31, 2024		19.2 4.4
Average price paid per share during the nine three months ended September 30, 2023 March 31, 2024	$	375.34 454.23

[1] The dollar-value of shares repurchased does not include a 1% excise tax that became effective January 1, 2023. tax. The incremental tax is recorded in treasury stock on the consolidated balance sheet and is payable annually beginning in 2024. sheet.

Recent Accounting Pronouncements

For a description of recent accounting pronouncements, if any, and the potential impact of these pronouncements refer to Note 1 (Summary of Significant Accounting Policies) to the consolidated financial statements included in Part I, Item 1.

Item 3. Quantitative and qualitative disclosures about market risk

Market risk is the potential for economic losses to be incurred on market risk sensitive instruments arising from adverse changes in factors such as interest rates and foreign currency exchange rates. Our exposure to market risk from changes in interest rates and foreign exchange rates is limited. Management monitors risk exposures on an ongoing basis and establishes and oversees the implementation of policies governing our funding, investments and use of derivative financial instruments to manage these risks.

Foreign currency and interest rate exposures are managed through our risk management activities, which are discussed further in Note 17 15 (Derivative and Hedging Instruments) to the consolidated financial statements included in Part I, Item 1.

Foreign Exchange Risk

We enter into foreign exchange derivative contracts to manage currency exposure associated with anticipated receipts and disbursements occurring in a currency other than the functional currency of the entity. We may also enter into foreign currency derivative contracts to offset possible changes in value of assets and liabilities due to foreign exchange fluctuations. The objective of these activities is to reduce our exposure to transaction gains and losses resulting from fluctuations of foreign currencies against our functional currencies, principally the U.S. dollar and euro. The effect of a hypothetical 10% adverse change in the value of the functional currencies could result in a fair value loss of approximately $92 million $416 million and loss of approximately $94 million $414 million on our foreign exchange derivative contracts outstanding at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, before considering the offsetting effect of the underlying hedged activity.

We are also subject to foreign exchange risk as part of our daily settlement activities. To manage this risk, we enter into short duration foreign exchange derivative contracts based upon anticipated receipts and disbursements for the respective currency position. This risk is typically limited to a few days between when a payment transaction takes place and the subsequent settlement with our customers. A hypothetical 10% adverse change in the value of the functional currencies would not have a material impact to the fair value of our short duration foreign exchange derivative contracts outstanding at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

We are further exposed to foreign exchange rate risk related to translation of our net investment in foreign subsidiaries where the functional currency is different than our U.S. dollar reporting currency. To manage this risk, we may enter into foreign exchange derivative contracts to hedge a portion of our net investment in foreign subsidiaries. The effect As of a hypothetical 10% adverse change in the value of the U.S. dollar could result in a fair value loss of approximately $320 million March 31, 2024 and $203 million on our December 31, 2023, we did not have any foreign exchange derivative contracts designated as a net investment hedge at September 30, 2023 and December 31, 2022, respectively, before considering the offsetting effect of the underlying hedged activity.

hedge.

Interest Rate Risk

Our available-for-sale debt investments include fixed and variable rate securities that are sensitive to interest rate fluctuations. Our policy is to invest in high quality securities, while providing adequate liquidity and maintaining diversification to avoid significant exposure. A hypothetical 100 basis point adverse change in interest rates would not have a material impact to the fair value of our investments at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

We are also exposed to interest rate risk related to our fixed-rate debt. To manage this risk, we may enter into interest rate derivative contracts to hedge a portion of our fixed-rate debt that is exposed to changes in fair value attributable to changes in a benchmark interest rate. The effect of a hypothetical 100 basis point adverse change in interest rates would not have could result in a material impact to fair value loss of approximately $26 million and $29 million on the fair value of our interest rate derivative contracts designated as a fair value hedge of our fixed-rate debt at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, before considering the offsetting effect of the underlying hedged activity.

Item 4. Controls and procedures

Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) are designed to ensure that information that is required to be disclosed in the reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and to ensure that information required to be disclosed is accumulated and communicated to management, including our President and Chief Executive Officer and our Chief Financial Officer, to allow timely decisions regarding disclosure. The President and Chief Executive Officer and the Chief Financial Officer, with assistance from other members of management, have reviewed the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Report and, based on their evaluation, have concluded that the disclosure controls and procedures were effective as of such date.

Changes in Internal Control over Financial Reporting

There was no change in Mastercard's internal control over financial reporting that occurred during the three months ended September 30, 2023 March 31, 2024 that has materially affected, or is reasonably likely to materially affect, Mastercard's internal control over financial reporting.

PART II

Item 1. Legal proceedings

Refer to Note 15 13 (Legal and Regulatory Proceedings) to the consolidated financial statements included in Part I, Item 1.

Item 1A. Risk factors

For a discussion of our risk factors, see Part I, Item 1A - Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Item 2. Unregistered sales of equity securities, use of proceeds and issuer purchases of equity securities

Issuer Purchases of Equity Securities

During the third first quarter of 2023, 2024, we repurchased 4.8 4.4 million shares for $1.9 billion $2.0 billion at an average price of $400.61 $454.23 per share of Class A common stock. The following table presents our repurchase activity on a cash basis during the third first quarter of 2023: 2024:

Period	Total Number of Shares Purchased	Average Price Paid per Share (including commission cost)		Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Dollar Value of Shares that may yet be Purchased under the Plans or Programs [1, 2]	
July 1 - 31	1,664,589	$	396.95	1,664,589	$	6,218,906,492
August 1 - 31	1,737,057	$	396.20	1,737,057	$	5,530,680,868
September 1 - 30	1,356,433	$	410.74	1,356,433	$	4,973,542,871
Total	4,758,079	$	400.61	4,758,079		

Period	Total Number of Shares Purchased	Average Price Paid per Share (including commission cost)		Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Dollar Value of Shares that may yet be Purchased under the Plans or Programs [1]	
January 1 - 31	1,584,245	$	428.76	1,584,245	$	13,463,128,353
February 1 - 29	1,399,546	$	461.26	1,399,546	$	12,817,572,326
March 1 - 31	1,401,883	$	475.98	1,401,883	$	12,150,300,756
Total	4,385,674	$	454.23	4,385,674		

1 Dollar value of shares that may yet be purchased under the repurchase programs is as of the end of the period.

2 In December 2022 2023 and November 2021, 2022, our Board of Directors approved share repurchase programs of our Class A common stock authorizing us to repurchase up to $9.0 billion $11.0 billion and $8.0 billion $9.0 billion, respectively.

Item 5. Other information

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the three months ended September 30, 2023 March 31, 2024, certain of our officers and directors adopted or terminated trading arrangements for the sale of shares of our common stock as follows:

	Action	Date	Plans		Number of Securities to be Sold	Expiration
			Rule 10b5-1 [1]	Non-Rule 10b5-1 [2]		
Ed McLaughlin, Tim Murphy, President & Chief Technology Administrative Officer Mastercard Technology	Adoption	August 18, 2023 February 1, 2024	X	-	15,724 shares of Class A Common Stock	20,000 The earlier of (i) the date when all securities under plan are sold and (ii) December 31, 2024
Ling Hai, President, Asia Pacific, Europe, Middle East and Africa	Adoption	February 1, 2024	X	-	8,676 shares of Class A Common Stock underlying employee stock options	The earlier of (i) the date when all securities under plan are exercised and sold and (ii) February 28, 2025
Craig Vosburg, Chief Services Officer	Adoption	February 21, 2024	X	-	27,084 shares of Class A Common Stock underlying employee stock options	The earlier of (i) the date when all securities under plan are exercised and sold and (ii) November 22, 2024
Ajay Bhalla, Former President, Cyber and Intelligence Solutions [3]	Adoption	February 23, 2024	X	-	42,248 shares of Class A Common Stock underlying employee stock options	The earlier of (i) the date when all securities under plan are exercised and sold and (ii) September 11, 2024
Raj Seshadri, Chief Commercial Payments Officer	Adoption	February 26, 2024	X	-	(i) 20,764 shares of Class A Common Stock underlying employee stock options and (ii) 3,199 shares of Class A Common Stock	The earlier of (i) the date when all securities under plan are exercised and sold and (ii) December 31, 2024

1 Intended to satisfy the affirmative defense conditions of Rule 10b5-1(c).

2 Not intended to satisfy the affirmative defense conditions of Rule 10b5-1(c).

3 Mr. Bhalla departed Mastercard on April 5, 2024.

Other Information

Pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012, we hereby incorporate by reference herein the disclosure contained in Exhibit 99.1.

99.1 of this Report.

Item 6. Exhibits

Refer to the Exhibit Index included herein.

Exhibit index

Exhibit Number	Exhibit Description
10.1*+	Amended a Form of Restricted Stock Unit Agreement for awards under 2006 Long Term Incentive Plan (effective for awards granted on and subsequent to March 1, 202nd Restated 4Mastercard International Incorporated Executive Severance Plan, amended and restated as of October 17, 2023.).
10.2*+	Amended Form of Stock Option Agreement for awards under 2006 Long Term Incentive Plan (effective for awards granted on and Restated Mastercard International Incorporated subsequent to March 1, 202Change 4).
10.3*+	Form of Performance Stock Unit Agreement for awards under 2006 Long Term Incentive Plan (effective for awards granted on and subsequent to March 1, 202in Control 4 Severance Plan, amended and restated as of October 17, 2023.).
31.1*	Certification of Michael Miebach, President and Chief Executive Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Sachin Mehra, Chief Financial Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Michael Miebach, President and Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Sachin Mehra, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1*	Disclosure pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

+ Management contracts or compensatory plans or arrangements.

* Filed or furnished herewith.

The agreements and other documents filed as exhibits to this Report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and should not be relied upon for that purpose. In particular, any representations and warranties made by the Company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MASTERCARD INCORPORATED

(Registrant)

Date:	October 26, 2023 May 1, 2024	By:	/S/ MICHAEL MIEBACH **Michael Miebach** **President and Chief Executive Officer** **(Principal Executive Officer)**
Date:	October 26, 2023 May 1, 2024	By:	/S/ SACHIN MEHRA **Sachin Mehra** **Chief Financial Officer** **(Principal Financial Officer)**
Date:	October 26, 2023 May 1, 2024	By:	/S/ SANDRA ARKELL **Sandra Arkell** **Corporate Controller** **(Principal Accounting Officer)**

EXHIBIT 10.1

Amended and Restated Mastercard International Incorporated Executive Severance Plan FORM OF RESTRICTED STOCK UNIT AGREEMENT
20xx GRANT

The Amended [effective for awards granted on and Restated subsequent to March 1, 2024]

Name: xxxxxx
$ Granted: $ xxx,xxx

THIS AGREEMENT, dated as of March 1, 20xx, ("Grant Date") is between Mastercard International Incorporated, Executive Severance Plan a Delaware Corporation ("Company"), and you (the "Plan" "Employee") sets forth . Capitalized terms that are used but not defined in this Agreement have the guidelines for Mastercard International Incorporated ("Mastercard") with respect meanings given to severance payments and/or benefits to certain of its employees who meet the eligibility requirements set forth them in the Plan. At all times, payments under 2006 Long Term Incentive Plan, as amended ("Plan").

WHEREAS, the Company has established the Plan, shall be the terms of which are made solely from the general assets of the Company. This Plan document constitutes the Summary Plan Description for the Plan in accordance with the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). a part hereof;

Effective Date

The Plan was effective as of August 1, 2009, and is amended and restated as of October 17, 2023.

Eligibility

Members of Mastercard Incorporated's Executive Leadership Team and such other employees who are selected in writing by WHEREAS, the Human Resources and Compensation Committee of Mastercard Incorporated's the Board of Directors (the "HRCC"), in its sole and absolute discretion, shall be eligible to participate in the Plan ("Eligible Members"), to the extent such individuals are not subject to an employment agreement (or other similar agreement) which provides them with eligibility for severance. Eligible Members shall not be eligible to participate in, and receive any severance benefits under, the Amended and Restated Mastercard International Incorporated Severance Plan. To the extent that an Eligible Member is party to an employment agreement (or other similar agreement) providing for payments or benefits other than severance upon a specific termination of employment event also addressed herein, the Eligible Member shall be entitled to receive such payments or benefits as provided upon such event under his or her employment agreement (or other similar agreement), and not under this Plan. In the event of any other inconsistency between the Plan and an Eligible Member's employment agreement (or other similar agreement), the Eligible Member's employment agreement will control.

Qualification

An Eligible Member will be entitled to receive "Severance Payments" (as defined below) if:

a. the Eligible Member is terminated by the Company without "Cause" (as such term is defined in the "Definitions" section); or b. the Eligible Member terminates his or her employment with the Company for "Good Reason" (as such term is defined in the "Definitions" section);

- the Eligible Member's employment may be terminated at the option of the Eligible Member, effective ninety (90) days after the giving of written notice to the Company by such Eligible Member of the grounds for termination for Good Reason, which grounds, as specified by the Eligible Member, have not been cured by the Company during such ninety (90) day period; provided, however, that such Eligible Member gave notice to the Company of the event(s) constituting Good Reason within sixty (60) days after such event(s).

- the Company may waive all or part of the ninety (90) day notice required to be given by the Eligible Member hereunder by giving written notice to such Eligible Member.

Disqualifying Events

Notwithstanding the foregoing, an Eligible Member shall not be entitled to receive Severance Payments if any of the following disqualifying events occur; provided, however, that such Eligible Member shall nevertheless be eligible to receive certain accrued payments (as described below).

a. the Eligible Member's employment is terminated due to death or, at the option of the Company upon the "Disability" (as such term is defined in the "Definitions" section) of the Eligible Member;

b. the Eligible Member elects to voluntarily terminate his or her employment with the Company or a successor for any reason other than for Good Reason ("Voluntary Resignation" Committee") or Mandatory Retirement;

c. the Eligible Member's employment with the Company is terminated for Cause;

- the Eligible Member's employment may be terminated for Cause by the Company, effective upon the giving of written notice by the Company to the Eligible Member of such termination for Cause, or effective upon such other date as specified therein ("Notice of Termination for Cause"). The Company's Notice of Termination for Cause shall state the date of termination and the basis for the Company's determination that the Eligible Member's actions establish Cause hereunder.

- if subsequent to the termination of the Eligible Member's employment for a reason other than termination by the Company for Cause, the Company determines that the Eligible Member could have been terminated for Cause, the Eligible Member's termination shall be recharacterized as a termination for Cause, upon the giving of written notice to the Eligible Member and providing the Eligible Member at least five (5) days to provide a written response to the Company. Thereafter, the Company may take appropriate legal action to seek recompense for any Severance Payments or other payments other than those payable on a termination for Cause improperly paid to the Eligible Member or to his or her estate or beneficiaries hereunder. Following a judicial determination, the prevailing party in any action under has approved this paragraph shall be entitled to be reimbursed by the non-prevailing party for reasonable legal fees and expenses incurred by the prevailing party in connection with the judicial proceeding seeking to enforce the provisions of this paragraph.

- notwithstanding anything to the contrary herein, if the Company has reason to believe that there are circumstances which, if substantiated, would constitute Cause as defined herein, the Company may suspend the Eligible Member from employment immediately upon notice for such period of time as shall be reasonably necessary for the Company to ascertain whether such circumstances are substantiated. During such suspension, the Eligible Member shall continue to be paid the compensation and provided all benefits in accordance with the regular payroll and benefit practices of the Company; provided, however, that if the Eligible Member has been indicted or otherwise formally charged by governmental authorities with any felony, the Company may, in its sole discretion, and without limiting the Company's discretion to terminate the Eligible Member's employment for Cause (provided it has grounds to do so grant under the terms of this "Disqualifying Events" section, paragraph (c), suspend the Eligible Member without continuation of any compensation or benefits (except health benefits, which shall be continued during Plan;

NOW, THEREFORE, the period of suspension), pending final disposition of such criminal charge(s). Upon receiving notice of any such suspension, the Eligible Member shall promptly leave the premises of the Company and remain off such premises until further notice from the Company. In the event the Eligible Member is suspended parties hereby agree as a result of such charges, but is later acquitted or otherwise exonerated from such charges, the Company shall pay to the Eligible Member such compensation, with interest, calculated from the date such compensation was suspended at the prime lending rate in effect on the date the Company receives notice from the Eligible Member of such acquittal or exoneration, and provide benefits withheld from the Eligible Member during the period of the Eligible Member's suspension, if any, all of which shall be paid and provided within thirty (30) days of the date of the Eligible Member's acquittal or exoneration from criminal charges that resulted in his suspension shall be limited with respect to the period of up to two (2) yearsfrom the date of suspension;

d. the failure by the Eligible Member to give a timely notice of termination for Good Reason (as described above); or e. the Eligible Member becomes employed by a Company Entity.

Amount and Duration of Severance

a. Accrued Payments

An Eligible Member shall be entitled to the following accrued payments following the Date of Termination (as such term is defined in the "Definitions" section) regardless of whether the Eligible Member has been rendered ineligible for receipt of the Severance Payments due to a disqualifying event (as described above):

Death, Disability or Mandatory Retirement

If the Eligible Member's employment is terminated on account of his or her death, due to Disability, or upon Mandatory Retirement, the Eligible Member or his or her estate and/or beneficiaries, as applicable, shall be entitled to receive the following lump sum payment (subject to any previously elected deferrals under the Mastercard Incorporated Deferral Plan), within thirty (30) days following the Date of Termination:

- "Base Salary" (as such term is defined in the "Definitions" section) earned but not paid prior to the Date of Termination;
- payment for all accrued but unused vacation time up to the Date of Termination;
- (x) in the event of the Eligible Member's death, the target annual incentive bonus payable for the year in which the Eligible Member's death occurs, (y) in the event of termination due to Disability, a pro rata portion (based upon completed calendar months worked prior to the date of Disability) of the target annual incentive bonus payable for the year in which the Eligible Member's Date of Termination occurs, or (z) in the event of Mandatory Retirement, a pro rata portion (based upon completed calendar months worked prior to the date of Mandatory Retirement) of the annual incentive bonus payable for the year in which the Eligible Member's termination of employment occurs based upon the actual performance of the Company for the applicable performance period (and taking into account the terms of the annual incentive plan, including but not limited to the discretion of the HRCC to reduce such bonus amount, with such amount payable when the annual incentive bonus is regularly paid to similarly employees for such year;
- to the extent not already paid, the annual incentive bonus for the year immediately preceding the year in which the Eligible Member's Date of Termination, with such amount payable when the annual incentive bonus is regularly paid to similarly employees for such year; and
- such additional benefits, if any, to which the Eligible Member is expressly eligible following the termination of the Eligible Member's employment on account of death, Disability or Mandatory Retirement, as applicable, payable or made available under such terms and conditions as may be provided by the then existing plans, programs and/or arrangements of the Company.

Cause or Voluntary Resignation

If the Company terminates the Eligible Member's employment for Cause or the Eligible Member terminates his or her employment by Voluntary Resignation, the Eligible Member shall be entitled to receive the following lump sum payment, as soon as practicable, but in no event later than thirty (30) days following the Date of

Termination:

- Base Salary earned but not paid prior to the Date of Termination;
- payment for all accrued but unused vacation time up to the Date of Termination; and
- additional benefits, if any, to which the Eligible Member is expressly eligible following his termination for Cause or by Voluntary Resignation, as applicable, payable or made available under such terms and conditions as may be provided by the then existing plans, programs and/or arrangements of the Company.

Without Cause or For Good Reason

If the Company terminates the Eligible Member's employment without Cause or the Eligible Member terminates his or her employment for Good Reason, the Eligible Member shall be entitled to the following payments following the Date of Termination:

- a lump sum payment (subject to any previously elected deferrals under the Mastercard Incorporated Deferral Plan), within thirty (30) days following the Date of Termination of all Base Salary earned but not paid prior to the Date of Termination;
- a lump sum payment within thirty (30) days following the Date of Termination equal to all accrued but unused vacation time up to the Date of Termination;
- a pro rata portion (based upon actually completed calendar months worked) of the annual incentive bonus payable for the year in which the Eligible Member's Date of Termination occurs based on the actual performance of the Company for the applicable performance period as determined by the HRCC and payable in accordance with the regular bonus pay practices of the Company; and
- to the extent not already paid, the annual incentive bonus for the year immediately preceding the year in which the Eligible Member's Date of Termination occurs, payable in the amount and at the time such bonus would have been paid had the Eligible Member remained employed.

b. Severance Payments

If the Eligible Member is entitled to receive severance payments and/or benefits as provided under the "Qualification" section, and has not been rendered ineligible for receipt of such severance payments and/or benefits due to a disqualifying event (as described above), the Eligible Member shall be entitled to the following payments (the "Severance Payments"):

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follows:

1. Severance Pay Grant and Acceptance of Units.

The Eligible Member shall be entitled Subject to receive (i) Base Salary continuation for an eighteen (18) month period following the Eligible Member's Date of Termination (the "Severance Pay Period"), and (ii) payment (subject to any previously elected deferrals under the Mastercard Incorporated Deferral Plan), of an amount equal to 1.5 times the annual incentive bonus paid to such Eligible Member for the year prior to the year in which the Eligible Member's Date of Termination occurs (the "Bonus Payment") payable ratably over the Severance Pay Period in accordance with the annual incentive bonus pay practices of the Company (such Base Salary continuation and Bonus Payment being collectively referred to herein as "Severance Pay").

2. Medical Benefits Continuation

The Eligible Member shall be entitled to payment by the Company on the Eligible Member's behalf, for the monthly cost of the premiums for coverage under the Consolidated Omnibus Reconciliation Act of 1985, as amended ("COBRA"), for a period equivalent to the eighteen (18) month COBRA period (twenty-nine (29) month period, if the Eligible Member is disabled under the Social Security Act within the first sixty (60) days of the continuation period) or the Severance Pay Period, whichever is shorter (the "Medical Benefits"), provided, however, such coverage shall not be provided if during such period the Eligible Member is or becomes ineligible under the provisions of COBRA for continuing coverage; and provided, further, that if the Eligible Member is eligible for Retiree Health Coverage under the Mastercard Retiree Health Plan, the Company shall pay the full cost of such Retiree Health or COBRA coverage, as applicable, during the Severance Pay Period and thereafter, retiree contribution levels provided under the provisions of the Retiree Health Plan shall apply.

3. Outplacement Services

The Eligible Member shall be entitled to reasonable outplacement services, to be provided by a firm selected by the Company, at a level generally made available to executives of the Company for the shorter of the Severance Pay Period or the period he or she remains unemployed.

4. Additional Payments

The Company reserves the right, in its sole discretion, to increase Severance Payments or Severance Pay for up to an additional six months for Eligible Members. Additional payments may be conditioned upon any additional criteria as the Company may determine in its sole discretion.

The Eligible Member shall be entitled to such other benefits, if any, to which such Eligible Member is expressly eligible following the termination of the Eligible Member's employment by the Company without Cause, by the Eligible Member with Good Reason, payable or made available under such terms and conditions as may be provided by the then existing plans, programs and/or arrangements of the Company (other than any severance payments payable under the terms of any benefit plan, including, but not limited to, the Amended and Restated Mastercard International Incorporated Severance Plan).

5. Separation Agreement and Release

The Company's obligations to make payments and provide benefits under this "Severance Payments" section, paragraphs (1)-(3), are conditioned upon the Eligible Member's execution (without revocation) of the Company's separation agreement and release of all claims related to the Eligible Member's employment or the termination thereof in a form satisfactory to Mastercard (the "Separation Agreement and Release"), which Separation Agreement and Release shall include a non-competition restriction and a non-solicitation restriction for a period no less than the Severance Pay Period (taking into account any additional payment periods

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pursuant to Section 4 above), as more fully described in such Separation Agreement and Release, provided that if the Eligible Member should fail to execute such Separation Agreement and Release within sixty (60) days following the Date of Termination, the Company shall not have any obligation to make the payments and provide the benefits contemplated under this "Severance Payments" section, paragraphs (1)-(3). In the event of Severance Pay in the case in which the Eligible Member is provided with a notice period, the Severance Pay shall be payable beginning at the end of the notice period (provided that the Separation Agreement and Release has been fully executed and legally effective as of the last day of the notice period). In the event of Severance Pay in the case in which the Eligible Member is not provided with a notice period, the Severance Pay payable during the period following the Eligible Member's Date of Termination during which the Eligible Member is required to execute a legally effective Separation Agreement and Release shall be aggregated and paid in a lump sum on the 60th day following the Date of Termination, with subsequent payments following over the original schedule during the Separation Pay Period (unless required to be paid six months plus one day after the Date of Termination).

Rehired Eligible Members

If, following an Eligible Member's Date of Termination, an Eligible Member is rehired by the Company or any Company Entity or is retained by the Company or any Company Entity as a consultant, his or her Severance Pay, Medical Benefits, outplacement services, and any additional payments under this Plan will cease and be forfeited as of the date of reemployment or the effective date of the consultancy, and no further severance payments and/or benefits will be paid or provided by the Company to such Eligible Member.

Income Taxes

Accrued payments and Severance Payments are subject to all applicable foreign, federal, state, and local tax withholding and generally are taxable income to the Eligible Member.

Section 409A of the Code

Notwithstanding any other provision of the Plan, if any payment, compensation or other benefit provided to the Eligible Member in connection with his or her employment termination is determined, in whole or in part, to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Eligible Member is a specified employee as defined in Section 409A(a)(2)(b)(i) of the Code, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the Date of Termination (such date, the "New Payment Date"). The aggregate of any payments that otherwise would have been paid to the Eligible Member during the period between the Date of Termination and the New Payment Date shall be paid to the Eligible Member in a lump sum on such New Payment Date. Thereafter, any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of the Plan. If the Eligible

Member dies during the period between the Date of Termination and the New Payment Date, the amounts withheld on account of Section 409A of the Code shall be paid to the Eligible Member's beneficiary within thirty (30) days of the Eligible Member's death or within such longer period as permitted under Section 409A of the Code.

Notwithstanding the preceding paragraph, up to two (2) times the lesser of: (i) the Eligible Member's Base Salary for the year preceding the year in which the Date of Termination occurs; and (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which the Date of Termination occurs, shall be paid in accordance with the schedule set forth in the "Severance Payments" section, paragraph (1), without regard to such six (6) month delay.

The Plan is intended to comply with the requirements of Section 409A of the Code, and, specifically, with the separation pay exemption and short term deferral exemption of Section 409A of the Code, and shall in all respects be administered in accordance with Section 409A of the Code. Notwithstanding anything in the Plan to the contrary, distributions may only be made under the Plan upon an event and in a manner permitted by Section 409A of the Code or an applicable exemption. All payments to be made upon a termination of employment under the Plan may only be made upon a "separation from service" under Section 409A of the Code. For purposes of Section 409A of the Code, the right to a series of installment payments under the Plan shall be treated as a right to a series of separate payments. In no event may the Eligible Member, directly or indirectly, designate the calendar year of a payment. All reimbursements and in-kind benefits provided under the Plan shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that (i) any reimbursement shall be for expenses incurred during the Eligible Member's lifetime (or during a shorter period of time specified in the Plan), (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

Administration of Plan

The "Plan Administrator" (as such term is defined in the "Definitions" section) shall have the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply, and interpret the Plan and to decide all matters arising in connection with the operation or administration of the Plan to the extent not retained by Mastercard as set forth herein. Without limiting the generality of the foregoing, the Plan Administrator shall have the sole and absolute discretionary authority to:

- take all actions and make all decisions with respect to the eligibility for, and the amount of, severance and benefits payable under the Plan;
- formulate, interpret and apply rules, regulations, and policies necessary to administer the Plan in accordance with its terms;
- decide questions, including legal or factual questions, with regard to any matter related to the Plan;
- construe and interpret the terms and provisions of the Plan and all documents which relate to the Plan and decide any and all matters arising thereunder including the right to remedy possible ambiguities, inconsistencies or omissions;
- investigate and make such factual or other determinations as shall be necessary or advisable for the resolution of appeals of adverse determinations under the Plan; and
- process, and approve or deny, claims for severance and benefits under the Plan.

All determinations made by the Plan Administrator as to any question involving their respective responsibilities, powers and duties under the Plan shall be final and binding on all parties, to the maximum extent permitted by law. All determinations by Mastercard referred to in the Plan shall be made by Mastercard in its capacity as an employer and/or sponsor of the Plan.

Modification or Termination of Plan

Mastercard reserves the right in its sole and absolute discretion, to amend, modify, or terminate the Plan, in whole or in part, including any or all of the provisions of the Plan, for any reason, at any time, by action of the Plan Administrator. Any amendments to the Plan must be approved in writing by the HRCC.

Claims and Appeal Procedures

The Plan Administrator shall make a determination in connection with the termination of employment of any Eligible Member as to whether a benefit under the Plan is payable to such Eligible Member, taking into consideration any determination made by the Company as to the circumstances regarding the termination, the Company's decision as to whether or not to pay a benefit under the "Qualification" section, the "Disqualifying Events" section, or the potential applicability of a disqualifying event, and as to the amount of payment. The Plan Administrator shall advise any Eligible Member it determines is entitled to severance and benefits under the Plan and the amount of such severance and benefits. The Plan Administrator may delegate any or all of its responsibilities under this section.

Claim Procedures

Each Eligible Member or his or her authorized representative (each, the "Claimant") claiming severance and benefits under the Plan who has not been advised of such severance and benefits by the Plan Administrator or who is not satisfied with the amount of any severance and benefits awarded under the Plan is eligible to file a written claim with the Plan Administrator.

Within ninety (90) days after receiving the claim, the Plan Administratorwill decide whether or not to approve the claim. The ninety (90)-day period may be extended by the Plan Administrator for an additional ninety (90)-day period if special circumstances require an extension of time to consider the claim. If the Plan Administrator extends the ninety (90)-day period, the Claimant will be notified in writing before the expiration of the initial 90-day period as to the length of the extension and the special circumstances that necessitate the extension.

If the claim is denied, the Plan Administrator shall set forth in writing or electronically the reasons for the denial; the relevant provisions of the Plan on which the decision is made; a description of the Plan's claim appeal procedures; and if additional material or information is necessary to perfect the claim, an explanation of why such material or information is necessary. The notice will also include a statement regarding the procedures for the Claimant to file a request for review of the claim denial as set forth in the "Appeal Procedures" section and the Claimant's right to bring a civil action under Section 502(a) of ERISA following a claim denial on appeal.

Appeal Procedures

If a claim has been denied by the Plan Administrator and the Claimant wishes further consideration and review of his or her claim, he or she must file an appeal of the denial of the claim to the Plan Administrator no later than sixty (60) days after the receipt of the written notification of the Plan Administrator's denial. In correlation with his or her appeal, the Claimant may request the opportunity to review relevant documents prior to submission of a written statement, submit documents, records and comments in writing, and receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the Claimant's claim for severance and benefits under the Plan. The review of the appeal by the Plan Administrator will take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial review of the claim.

The Plan Administrator will notify the Claimant in writing or electronically of its decision with respect to its review of the appeal within sixty (60) days of the receipt of the request for a review of the claim. Due to special circumstances, the Plan Administrator may extend the time to reach a decision with respect to the appeal of the claim denial, in which case the Plan Administrator

will notify the Claimant in writing before the expiration of the initial 60-day period as to the length of the extension and the special circumstances that necessitate such extension and render a decision as soon as possible, but not later than one hundred twenty (120) days following the receipt of the Claimant's request for appeal.

If the appeal is denied, the Plan Administrator will set forth in writing or electronically the specific reasons for the denial and references to the relevant Plan provisions on which the determination of the denial is based. The notice will also include a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim, and a statement of the Claimant's right to bring an action under Section 502(a) of ERISA.

Exhaustion of Remedies under the Plan

A Claimant wishing to seek judicial review of an adverse benefit determination under the Plan, whether in whole or in part, must file any suit or legal action, including, without limitation, a civil action under Section 502(a) of ERISA, within one (1) year of the date the final decision on the adverse benefit determination on review is issued or should have been issued or lose any rights to bring such an action. If any such judicial proceeding is undertaken, the evidence presented shall be strictly limited to the evidence timely presented to the Plan Administrator. A Claimant may bring an action under ERISA only after he or she has exhausted the Plan's claims and appeal procedures.

Miscellaneous Provisions

Neither the establishment of this Plan, nor any modification thereof, nor the payment of any severance and benefits hereunder, shall be construed as giving to any Eligible Member, or other person, any legal or equitable right against the Company or any current or former officer, director, or employee thereof, and in no event shall the terms and conditions of employment by this Agreement and of the Plan, the Company hereby grants to the Employee <xxx> Units, as reflected in the Employee's grant statement, the terms of any Eligible Member which statement are incorporated as a part of this Agreement. The Units comprising this award will be modified or recorded in any way affected by this Plan.

The records an unfunded Units account in the Employee's name maintained on the books of the Company with respect ("Account"). Each Unit represents the right to employment history, compensation, absences, illnesses, receive one share of the Company's $0.0001 par value Class A Common Stock ("Common Shares") under the terms and all other relevant matters conditions set forth below.

The Employee is required to accept or reject the award of Units and the terms of this Agreement by no later than October 1, 20xx or prior to such earlier vesting event pursuant to Section 2(c) below. If the Employee fails to accept or reject the award of Units by the foregoing deadline, the Employee shall be conclusive for all purposes deemed to have accepted the Units and the terms of this Plan.

The respective terms and provisions of Agreement, provided that if the Plan shall Employee is required to agree to the restrictive covenants in Section 10, the Employee must affirmatively accept or the Units may be construed, whenever possible, to be in conformity with the requirements of ERISA, or any subsequent laws or amendments thereto. To the extent not to conflict with the preceding sentence, the construction and administration of the Plan shall be in accordance with the laws of the state of New York applicable to contracts made and to be performed within the state of New York (without reference to its conflicts of law provisions).

Nothing contained in this Plan shall be held or construed to create any liability upon the Company to retain any employee in its service or to change the employee-at-will status of any employee. All employees shall remain subject to discharge or discipline to the same extent as if the Plan had not been put into effect. An employee's failure to qualify for or receive a severance and benefits hereunder shall not establish any right to (i) continuation or reinstatement, or (ii) any benefits in lieu of severance and benefits. cancellation.

Notwithstanding anything in this Plan to the contrary, an Eligible Member's severance entitlement under this Plan may be applied to offset any amounts owed by the Eligible Member under Mastercard Incorporated's Executive Officer Incentive Compensation Recoupment Policy, to the extent such offset is permitted by applicable law, including but not limited to Section 409A of the Code.

2. Vesting Schedule.

Definitions

Terms	Definitions
Base Salary	The Eligible Member's annual base salary as in effect from time to time.
Cause	• the willful failure by the Eligible Member to perform his or her duties or responsibilities (other than due to Disability); • the Eligible Member's engaging in serious misconduct that is injurious to the Company including, but not limited to, damage to its reputation or standing in its industry; • the Eligible Member's having been convicted of, or entered a plea of guilty or nolo contendere to, a crime that constitutes a felony, or a crime that constitutes a misdemeanor involving moral turpitude; • the material breach by the Eligible Member of any written covenant or agreement with the Company not to disclose any information pertaining to the Company; • the breach by the Eligible Member of the Code of Conduct, the Supplemental Code of Conduct, any material provision of the Plan, or any material provision of the following Company policies: non-discrimination, substance abuse, workplace violence, nepotism, travel and entertainment, corporation information security, antitrust/competition law, enterprise risk management, accounting, contracts, purchasing, communications, investor relations, immigration, privacy, insider trading, financial process and reporting procedures, financial approval authority, whistleblower, anti-corruption and other similar Company policies, whether currently in effect or adopted after the Effective Date of the Plan (collectively, "Company Policies"); or • unless otherwise determined by the HRCC, the Eligible Member's knowledge of or willful blindness to the following conduct on the part of any individual over whom the Eligible Member has supervisory authority: (i) actions involving serious misconduct that is injurious to the Company or (ii) a significantviolation of the Code of Conduct, the Supplemental Code of Conduct or any material provision of the Company Policies.
Company	Mastercard International Incorporated, including its subsidiaries where the context so requires.
Company Entity	Any entity (including any subsidiary, affiliate or joint venture) in which Mastercard has a direct or indirect ownership interest of any sort (legal, beneficial, economic or voting) of not less than 20%.
Disability	Disability shall be defined as set forth under the Mastercard Long-Term Disability Benefits Plan, as it may be amended from time to time. Any dispute concerning whether the Eligible Member is deemed to have suffered a Disability for purposes of the Plan shall be resolved in accordance with the dispute resolution procedures set forth in the Mastercard Long-Term Disability Benefits Plan, including that an Eligible Member's Disability shall be conclusively determined by the insurer of the Mastercard Long-Term Disability Benefits Plan.

Good Reason Vest Date	The occurrence of any of the following without the prior written consent of the Eligible Member: • the assignment to a position for which the Eligible Member is not qualified or a materially lesser position than the position held by the Eligible Member (although duties may differ without giving rise to a termination by the Eligible Member for Good Reason); • a material reduction in the Eligible Member's annual Base Salary except that a 10 percent reduction, in the aggregate, over the period of the Eligible Member's employment shall not be treated as a material reduction; • the relocation of the Eligible Member's principal place of employment to a location

	more than fifty (50) miles from the Eligible Member's principal place of employment (unless such relocation does not increase the Eligible Member's commute by more than twenty (20) miles), except for required travel on the Company's business to an extent substantially consistent with the Eligible Member's business travel obligations as of the date of relocation. Vest Quantity
Mandatory Retirement March 1, 20xx	The last day of the calendar year in which the Eligible Member attains the age of sixty-five (65), subject to such other mandatory retirement provision in the Eligible Member's employment agreement or otherwise applicable to the Eligible Member, if any. One third (33.33%)
Mastercard March 1, 20xx	Mastercard International Incorporated. One third (33.33%)
Plan Administrator March 1, 20xx	Executive Vice President, Total Rewards (or his or her functional successor)

Date of Termination

The date on which the Eligible Member incurs a termination of employment as described in the "Qualification" section or such other date on which an Eligible Member incurs a "separation from service" determined using the default provisions set forth in Section 1.409A-1(h) of the Treasury Regulations. Pursuant to such default provisions, an Eligible Member will be treated as no longer performing services for the Company when the level of services he or she performs for the Company decreases to a level equal to 20% or less of the average level of services performed by such Eligible Member during the immediately preceding 36 months.

One third (33.33%)

Your Rights Under ERISA

The Department (a) Subject to (b), (c) and (d) below, the interest of Labor has issued regulations that require the Company to provide you with a statement of your rights under ERISA Employee in the Units shall vest with respect to this Plan. The following statement was designated by one third (33.33%) of the Department Units granted on each of Labor to satisfy this requirement the first, second and is presented accordingly.

third anniversaries of the Grant Date conditioned upon the Employee's continued employment with the Company or an Affiliated Employer as of each such vesting date (collectively, the "Vesting Dates"). In the event of the Employee's Termination of Employment with the Company or an Affiliated Employer for any reason other than as set forth in (b), (c) or (d), unvested Units shall be forfeited. A transfer of Employee's employment among the Company and any Affiliated Employer shall not be treated as a Termination of Employment hereunder. As a participant condition of the Employee's right to vest in the Units, the Employee may be required to execute and comply with any Mastercard LTIP Non-Competition Agreement that the Company requires for the Employee to be eligible to participate in the Plan, you are entitled and to certain rights execute any other documents required by the Committee pursuant to this Agreement. If the Employee has not executed and protections under ERISA. ERISA provides that all Plan participants are entitled to:

Receive Information About Your Plan and Benefits

1. Examine, without charge, all Plan documents and copies of all documents filed delivered to the Company any such required Mastercard LTIP Non-Competition Agreement by the date required by the Company, which will in no event be later than the first anniversary of the Grant Date or such earlier vesting event pursuant to (c) below, the unvested Units shall be forfeited.

(b) In the event that the Employee's employment with the Department of Labor. This includes annual reports and Plan descriptions. All such documents are available for review in your Human Resources Department.

2. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation Company or an Affiliated Employer terminates by reason of the Plan, including copies Employee's death following the Grant Date, 100 percent of the latest annual report (Form 5500 Series) Employee's then unvested Units shall vest and be payable, as set forth in section 6(b). In the event of the Employee's Termination of Employment with the Company or an Affiliated Employer due to Disability or Retirement seven months or longer after the Grant Date, unless circumstances exist at the time of Termination of Employment that would constitute Cause, unvested Units shall continue to vest as if there had been no Termination of Employment and shall be paid as set forth in section 6(a).

(c) In the event of the Employee's Termination of Employment by the Company or an Affiliated Employer, or successor thereto, without Cause or due to a Job Elimination or Role Refresh six months preceding or two years following a Change in Control, 100 percent of the Employee's then unvested Units shall vest upon the later of the Employee's termination date or the Change in Control and be payable in accordance with section 6(c).

(d) In the event of the Employee's Termination of Employment with the Company or an updated summary plan description. The Affiliated Employer due to a Job Elimination or a Role Refresh (other than in connection with a Change in Control, as provided in section 2(c)), the Employee's interest in a pro-rata portion of the unvested Units shall continue to vest as if there had been no Termination of Employment and shall be paid as set forth in section 6(a), contingent upon the Employee's execution and non-revocation of a separation agreement and/or a release of all claims in a form satisfactory to the Company within a period of no more than 75 days following the date of the Employee's Termination of Employment. Such pro-rata portion of the unvested Units shall be calculated based on (A) the total Units granted multiplied by the ratio of (x) the number of calendar days worked by the Employee from the Grant Date to the Employee's termination date, to (y) the total number of calendar days in the original vesting schedule of the Units (from the Grant Date to the third anniversary of the Grant Date) less (B) any Units previously vested. For purposes of this section 2(d), a "Job Elimination" shall mean either (i) the Employee's involuntary and permanent Termination of Employment by the Company or an Affiliated Employer because of a permanent layoff, reduction in force, facility closing, reorganization, or consolidation, or (ii) the Employee's involuntary Termination of Employment with the Company or an Affiliated Employer after the Employee has been offered and declined continued employment with the Company or an Affiliated Employer in a position that is, in the Company's sole judgment, not comparable to or better than the position that the Employee previously held with the Company or an Affiliated Employer. For purposes of this section 2(d), a "Role Refresh" shall mean the Employee's involuntary Termination of Employment by the Company or an Affiliated Employer where the Company determines that a change is in the best interests of the Company and/or an Affiliated Employer and the following conditions are met: (i) the Employee is a level 4 or higher; (ii) the Employee's last official rating and ongoing performance level is achieves or higher; (iii) the Employee has been in substantially the same role for three (3) or more years (this requirement may be waived for employees at levels 1 and 2); and (iv) the Employee's role is not being eliminated. Notwithstanding the foregoing, the Employee shall not be entitled to continued vesting of the Units under this Section 2(d) if the Employee incurs a "Disqualifying Event" under the terms of the Mastercard International Incorporated Severance Plan Administrator may charge you or, as applicable, the Amended and Restated Mastercard International Incorporated Executive Severance Plan. To obtain a reasonable fee for copy of the copies. Mastercard International Incorporated Severance Plan, please send a request to the Employment Counsel at 2000 Purchase Street, Purchase, NY 10577.

3. Receive a summary Transfer Restrictions.

The Units granted hereunder may not be sold, assigned, margined, transferred, encumbered, conveyed, gifted, hypothecated, pledged, or otherwise disposed of and may not be subject to lien, garnishment, attachment or other legal process, except as expressly permitted by the Plan.

4. Stockholder Rights.

Prior to the time that the Employee's Units vest and the Company has issued Common Shares relating to such Units, the Employee will not be deemed to be the holder of, or have any of the Plan's annual financial report. Once each year, rights of a holder with respect to, any Common Shares deliverable with respect to such Units. Specifically, and without limiting the foregoing, the Employee shall not be entitled to dividends or dividend equivalents prior to being issued Common Shares.

5. Changes in Stock.

In the event of any change with respect to outstanding Common Shares contemplated by Section 4.6(1) of the Plan, Administrator will send you a Summary Annual Report of the Plan's financial activities at no charge.

Prudent Action by Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation Units may be adjusted in accordance with Section 4.6(1) of the Plan.

6. Form and Timing of Payment.

(a) The people who operate your Plan, called fiduciaries Company shall pay within 60 days following each Vesting Date set forth in section 2(a) above, a number of Common Shares equal to the aggregate number of vested Units credited to the Employee as of such Vesting Date; provided, however, that payment of any Units that vest pursuant to Section 2(d) may occur within up to 74 days following the applicable Vesting Date in connection with the Employee's execution and non-revocation of a separation agreement and/or a release of all claims. Further, in the event that a Vesting Date falls within the period the Employee has to provide a separation agreement and/or a release of all claims pursuant to Section 2(d) and such period spans two calendar years, any payment of the Plan, have a duty to do so prudently and vested Units will be made in the interest second calendar year.

(b) In the event of you and other Plan participants. vesting under section 2(b) above due to an Employee's death, payment shall be made within 90 days following death, or where additional time is needed for administrative reasons, at such later time as is permitted under Section 409A (as defined in section 13 below).

(c) In the event of vesting under section 2(c) above due to Termination of Employment in connection with a Change in Control, payment shall be made as follows: (i) in the event of Termination of Employment prior to the Change in Control, within 90 days following the Change in Control; or (ii) in the event of Termination of Employment after the Change in Control, on the first business day which is at least seven months following the Termination of Employment or at such later date permitted under Section 409A.

(d) Notwithstanding section 6(a) above, the Company may, in its sole discretion, settle the Units in the form of a cash payment (i) to the extent settlement in Common Shares is prohibited under local law, or would require the Employee, the Company and/or the Employer to obtain the approval of any governmental and/or regulatory body in the Employee's country of residence (or country of employment, if different) or (ii) in the event that the net number of Common Shares issuable on a Vesting Date is less than one whole Common Share. Alternatively, the Company may, in

its sole discretion, settle the Units in the form of Common Shares but require the Employee to immediately sell such Common Shares (in which case, this Agreement shall give the Company the authority to issue sales instructions on behalf of the Employee).

7. Compliance with Law.

No one, Common Shares (or cash pursuant to section 6(d) above) will be delivered to the Employee in accordance with section 6 above unless counsel for the Company is satisfied that such delivery will be in compliance with all applicable laws, including, your employer without limitation, any rule, regulation or procedure of the U.S. national securities exchange upon which the Company's Common Shares are traded or any listing agreement with any such securities exchange, or any other person, may fire you requirement of law or otherwise discriminate against you in of any way to prevent you from obtaining a pension administrative or welfare benefit regulatory body having jurisdiction over the Company or exercising your rights under ERISA. an Affiliated Employer.

Enforcing Your Rights 8. Death of Employee.

If your claim for severance and benefits is denied or ignored in whole or in part, you have a right to receive a written explanation In the event of the reason for Employee's death, where the denial, to obtain copies death results in vesting and payment of documents related Units under section 2(b) above, payment shall be made to the decision without charge, Employee's estate.

9. Taxes.

The Employee shall be liable for any and to appeal any denial, all within certain time schedules. You have taxes, including income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items ("Tax-Related Items"), arising out of this grant or the right to have your claim reviewed and reconsidered. You also have the right to request a review issuance of the denial Common Shares on vesting of your claim as explained in the "Appeal Procedures" section. No one, including your employer Units hereunder or any other person, may discriminate against you taxable event in connection with the Units.

Prior to any way such taxable event, the Employee (or the Employee's estate) shall pay or make adequate arrangements satisfactory to prevent you from obtaining severance and benefits under the Plan Company or, exercising your rights under ERISA.

Under ERISA, there are steps you can take if different, the Employee's employer (the "Employer") to enforce meet the above rights. For instance, if you request materials Company's or the Employer's withholding obligations for Tax-Related Items. In this regard, the Company is authorized to deduct from the Plan and do not total number of Common Shares the Employee is to receive them within thirty (30) days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control on settlement of the Plan Administrator. Units a number of Common Shares with a total value equal to the amount necessary to satisfy any such withholding obligation. If you the Tax-Related Items withholding is satisfied by withholding in Common Shares, for tax purposes, the Employee is deemed to have been issued the full number of Common Shares subject to the vested Units, notwithstanding that a claim for severance and benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court after you have exhausted the Plan's claims and appeal procedures as described in the section "Claims and Appeal Procedures" hereof. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the Department of Labor, or you may file suit in a federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator through your Human Resources Department. They will be glad to help you. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest Area Office number of the Common Shares is held back solely for the purpose of paying the Tax-Related Items.

Alternatively, provided the Employee Benefits Security Administration, Department is not subject to Securities and Exchange Commission Rule 16b-3 ("Rule 16b-3"), the Company may sell or arrange for the sale of Labor, listed in your telephone directory, or you may contact:

a sufficient number of Common Shares issued to the Employee upon settlement of the Units to meet the Tax-Related Items withholding obligation.

The Division Company (or, as applicable, the Employer) may withhold or account for Tax-Related Items by considering statutory withholding rates or other applicable withholding rates, including maximum rates applicable in the Employee's jurisdiction(s), and will do so using the information in its applicable systems and other business records at the time of Technical Assistance such withholding event. In the event of over-withholding, the Employee may receive a refund from the local tax authorities of any over-withheld amount in cash and Inquiries
will have no entitlement to the Common Share equivalent. In the event the withholding deducted is less than the Tax-Related Items for which the Employee Benefits Security Administration,
Department is liable, the Employee may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Further, to the extent that any obligation to withhold Tax-Related Items arises prior to settlement of Labor
200 Constitution Avenue, N.W. the Units, the Company may cause the Units to vest prior to any Vesting Date for the purpose of satisfying such obligation by

withholding or selling of Common Shares as provided for above (to the extent such methods are otherwise permitted under this Agreement), Room 5N625 provided that (a) to avoid a prohibited acceleration under Section 409A, the number of Units so vested will not exceed the number necessary to satisfy the liability for Tax-Related Items; and (b) if the Employee is subject to Rule 16b-3, any withholding in Common Shares pursuant to the foregoing will either be approved in advance by the Human Resources and Compensation Committee or solely at the election of the Employee. Pursuant to the foregoing and without limiting the discretion and authority of the Company as provided herein with respect to any other applicable Tax-Related Items, the Employee will have the right to elect to have the Company satisfy any Federal Insurance Contributions Act taxes required to be withheld before settlement of the Units by causing a sufficient portion of the Units to vest and withholding in Common Shares. If Tax-Related Items are withheld prior to a Vesting Date by the method described in this paragraph, the number of Units in the Employee's Account and originally scheduled to vest on the next applicable Vesting Date will be reduced by the number of Units vested and used to satisfy such Tax-Related Items.

The Employee agrees to pay to the Company or the Employer, including through withholding from the Employee's wages or other cash compensation paid to the Employee by the Company and/or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Employee's participation in the Plan that is not satisfied by the means previously described including, without limitation, any Federal Insurance Contributions Act taxes required to be withheld before settlement of the Units for which the Employee does not elect withholding in Common Shares pursuant to the preceding paragraph.

Finally, the Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by the Employee is and remains the Employee's responsibility, regardless of any withholding by the Company or the Employer, and that the Company and the Employer: (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including the grant of the Units, the vesting of the Units, the settlement of the Units, the subsequent sale of

Washington, DC 20210

1-866-444-EBSA (1-866-444-3272)

any Common Shares acquired pursuant to the Units, or the receipt of any dividends; and (2) do not commit to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Employee's liability for Tax-Related Items. The Company may refuse to issue or deliver the Common Shares, or the proceeds of the sale of Common Shares, if the Employee fails to comply with the Employee's obligations in connection with the Tax-Related Items.

10. Restrictive Covenants.

If, at the Grant Date, the Employee is a Vice President (or equivalent) of the Company or an Affiliated Employer or holds a role above the level of Vice President (or its equivalent), and provided that the Employee's regular place of employment is not in California or Ontario, then in consideration of the grant of this award of Units, the Employee agrees to the restrictive covenants and associated remedies as set forth below, which exist independently of and in addition to any obligation to which the Employee is subject under the terms of any Mastercard LTIP Non-Competition Agreement that the Company requires the Employee to execute in order to be eligible to participate in the Plan:

(a) The Employee agrees for a period of twelve (12) months following the termination of the Employee's employment with the Company or an Affiliated Employer for any reason, the Employee will not directly or indirectly for him- or herself or any third party: (i) engage, participate or invest in (one percent (1%) ownership or more), own or become employed by or render (whether or not for compensation) any consulting, contractor, advisory or other services to or for the benefit of Visa, American Express, Discover, PayPal, China Union Pay including any of their respective subsidiaries, affiliates and successors AND any other competitor or any third party that the Employee knows intends to be a competitor of Mastercard International Incorporated including any of its subsidiaries and affiliates (collectively, "Mastercard"); (ii) solicit, induce, recruit or otherwise entice away from Mastercard any other employee, agent or consultant of Mastercard who could damage Mastercard's interests; or (iii) solicit, induce any customer or supplier of Mastercard, or other person engaged in business with Mastercard to terminate, reduce or otherwise modify any commercial arrangement with Mastercard.

(b) Violation of Restrictive Covenants. If the Employee breaches any of the terms of the restrictive covenants in Section 10(a) above, all unvested Units shall be immediately and irrevocably forfeited. Further, with respect to any Units that vested within twelve (12) months prior to the termination of the Employee's employment with the Company or an Affiliated Employer or at any time after the Employee's termination, the Employee may be required to repay or otherwise reimburse the Company an amount having a value equal to the aggregate fair market value (determined as of the date of vesting) of any Common Shares transferred to the Employee as a result of the vesting of such Units. This Section 10(b) does not constitute the Company's exclusive remedy for the Employee's violation of the Employee's restrictive covenant obligations, and in www.dol.gov/ebsa (for

the event of a breach or threatened breach by the Employee of any provision of Section 10(a), the Employee agrees that the Company and any applicable Affiliated Employer shall be entitled to an injunction or restraining order to prevent such breach or threatened breach in addition to any other remedies permitted by applicable law.

This Section 10 shall be construed to the maximum extent permitted by applicable law and may be modified as strictly necessary to be legally enforceable as determined by a court of competent jurisdiction ruling on this Agreement. The Company may release the Employee from any and all provisions in this Section 10 by providing written notice of the release.

11. Discretionary Nature of Plan.

The Employee acknowledges and agrees that the Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of Units under the Plan is a one-time benefit and does not create any contractual or other right to receive a grant of Units, other types of grants under the Plan, or benefits in lieu of such grants in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the number of Units granted and vesting provisions.

12. Consent to On-Line Grant and Acceptance.

The Employee acknowledges and agrees that, as a term of this grant of Units, any grant, communication, or acceptance of such grant, if applicable, is permitted to be made and processed through the online system operated and maintained for this purpose. The Employee further acknowledges and agrees that execution of any documents through such system shall have the same force and effect as if executed in writing.

13. Section 409A.

The Company intends that payments under this Agreement will either comply with or be exempt from Section 409A of the Internal Revenue Code and the regulations and guidance promulgated thereunder (collectively, “Section 409A”) and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from Section 409A or in compliance therewith, as applicable. To the extent the Company determines that this Agreement is subject to Section 409A, but does not conform with the requirements of Section 409A, the Company may at its sole discretion amend or replace the Agreement to cause the Agreement to comply with Section 409A. The Company makes no representation that the Agreement is exempt from or complies with Section 409A and makes no undertaking to preclude Section 409A from applying to the Agreement. The Company will have no liability to the Employee or to any other party if the Agreement that is intended to be exempt from or compliant with Section 409A is not so exempt or compliant or for any action taken by the Company with respect thereto.

14. Recoupment Policy.

As an additional condition of receiving the Units, the Employee agrees that the Units and any benefits the Employee may receive hereunder shall be subject to forfeiture and/or repayment to the Company: (a) to the extent required, or to satisfy any required recovery, under the terms of any recoupment or “clawback” policy adopted by the Company and in effect as of the Grant Date, including, without limitation, the Mastercard Incorporated Executive Officer Incentive Compensation Recovery Policy; (b) to comply with any recoupment requirement imposed under applicable laws, rules, regulations or stock exchange listing standards; and/or (c) in the event the Employee engages in misconduct which has or might reasonably be expected to have material reputational or other harm to the Company or in any other conduct constituting Cause (together, “Misconduct”) or if the Employee has known of or been willfully blind to Misconduct on the part of any individual over whom the Employee has supervisory authority. A recovery under this section 14 can be made by withholding compensation otherwise due to the

Employee, by cancelling Units, whether unvested or vested but unpaid, or by such other means determined appropriate by the Committee. The Recoupment Policy set forth in this Section 14 shall be applied by the Committee, at its discretion, to the maximum extent permitted under applicable law.

15. Governing Law; Jurisdiction and Venue.

The Employee acknowledges and agrees that this Agreement shall be construed and enforced in accordance with the laws of the State of New York without reference to principles of conflict of laws. The Employee further acknowledges and agrees that except to the extent any legal suit, action or proceeding arising out of or relating to this Agreement is subject to a binding arbitration agreement between the Employee and the Company or an Affiliated Employer, any such suit, action or proceeding shall be instituted in a federal or state court in the State of New York, and the Employee waives any objection which the Employee may now or hereafter have to the laying of venue of any such suit, action or proceeding and irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding.

16. Miscellaneous.

(a) All amounts credited to the Employee's Account under this Agreement shall continue for all purposes to be a part of the general information) www.askebsa.dol.gov (for electronic inquiries) assets of the Company. The Employee's interest in the Account shall make the Employee only a general, unsecured creditor of the Company.

You (b) The parties agree to execute such further instruments and to take such action as may also obtain certain publications about your reasonably be necessary to carry out the intent of this Agreement.

(c) Any notice required or permitted hereunder that is not covered by section 12 above, shall be given in writing and shall be deemed effectively given upon delivery to the Employee at the address then on file with the Company or upon delivery

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to the Company at 2000 Purchase Street, Purchase, New York 10577, Attn: EVP, Total Rewards.

(d) Neither the Plan nor this Agreement nor any provisions under either shall be construed so as to grant the Employee any right to remain in the employ of the Company or an Affiliated Employer. Neither the Plan nor this Agreement shall interfere with the rights and responsibilities under ERISA by calling of the publications hotline Company or an Affiliated Employer, as applicable, to terminate the employment of the Employee Benefits Security Administration and/or take any personnel action affecting the Employee without regard to the effect which such action may have upon the Employee as a recipient or prospective recipient of any benefits under the Plan or this Agreement.

The value of the Units granted hereunder is an extraordinary item of compensation outside the scope of the Employee's terms and conditions of employment and/or employment contract, if any. As such, the Units granted hereunder are not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.

(e) The Company reserves the right to impose other requirements on the Units, any Common Shares acquired or payment made pursuant to the Units, and the Employee's participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable. Such requirements may include (but are not limited to) requiring the Employee to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

(f) Notwithstanding any provisions in this Agreement, the Units will be subject to any country-specific terms set forth in an addendum to this Agreement for Participants who work or reside in a country outside the United States ("Addendum"). Moreover, if the Employee relocates to one of the countries included in the Addendum, the terms for such country will apply to him or her, to the extent the Company determines that the application of such terms is necessary or advisable. The Addendum constitutes part of this Agreement.

(g) The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable. Further, upon a determination that any term or other provision of this Agreement is illegal or otherwise incapable of being enforced, such term or other provision shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the illegal or unenforceable term or provision.

(h) This Agreement, along with the incorporated grant statement, an executed Mastercard LTIP Non-Competition Agreement, and any special provisions for the Employee's country of residence or employment, as set forth in the applicable Addendum, constitutes the entire agreement of the parties with respect to the subject matter hereof.

By /s ____________________

Name:
Title:

EXHIBIT 10.2

FORM OF
STOCK OPTION AGREEMENT
20xx GRANT

[effective for awards granted on and subsequent to March 1, 2024]

Name: xxxxxx
$ Granted: $ xxx,xxx

THIS AGREEMENT, dated as of March 1, 20xx, ("Grant Date") is between Mastercard Incorporated, a Delaware Corporation ("Company"), and you (the "Employee"). Capitalized terms that are used but not defined in this Agreement have the meanings given to them in the 2006 Long Term Incentive Plan, as amended ("Plan").

WHEREAS, the Company has established the Plan, the terms of which are made a part hereof;

WHEREAS, the Human Resources and Compensation Committee of the Board of Directors of the Company ("Committee") has approved this grant under the terms of the Plan;

NOW, THEREFORE, the parties hereby agree as follows:

1. Grant of Stock Options.

Subject to the terms and conditions of this Agreement and of the Plan, the Company hereby grants to the Employee a nonqualified stock option ("Stock Option") to purchase from time to time all or any part of >xxxx< common shares of the Company's Class A Common Stock ("Common Shares"), as reflected in the Employee's grant statement, the terms of which are incorporated as part of this Agreement, at 1-866-444-3272. a price per share equal to 100 percent of the Fair Market Value of the Common Shares (the closing price) on the Grant Date.

Administrative Facts2. Exercise.

This Stock Option is exercisable from the date and to the extent that the Employee's interest in the Stock Option is vested, but in no event earlier than seven months after the Grant Date (other than in the case of the Employee's death, as set forth in Section 3(b) below), until the date the term of the Stock Option expires under Section 4 below. The Employee's interest in the Stock Option may be exercised only by delivering notice of exercise, in the form prescribed by the Company, to the Company or its designated agent, and paying the full exercise price for the shares and the full amount of any Tax-Related Items required to be withheld. Unless otherwise set forth in an addendum to this Agreement for Participants who work or reside in or relocate to a country outside the United States ("Addendum"), the exercise price may be paid by

delivery of cash or a certified check, delivery of Common Shares already owned by the Employee, or by delivery of cash by a broker-dealer as a "cashless" exercise. Special rules will apply to the payment of the exercise price and any Tax-Related Items by Participants who are subject to Securities and Exchange Commission Rule 16b-3. Common Shares issued on exercise of the Stock Option shall be unrestricted Common Shares. As a condition of the Employee's right to exercise the Stock Option, the Employee shall be required to execute and comply with any Mastercard LTIP Non-Competition Agreement that the Company requires for the Employee to be eligible to participate in the Plan and to execute any other documents required by the Committee pursuant to this Agreement.

3. Vesting.

Topic Vest Date	Description Vest Quantity
Plan Name March 1, 20xx	Amended and Restated Mastercard International Incorporated Executive Severance Plan One third (33.33%)
Plan Sponsor March 1, 20xx	Mastercard International Incorporated [address] One third (33.33%)
Source of Contributions to Plan March 1, 20xx	Employer payments from corporate assets

Employer Identification Number	
Plan Number	______
Plan Administrator	Executive Vice President, Total Rewards (or his or her functional successor) Mastercard International Incorporated [address] [phone number]
Agent for Receiving Service of Legal Process	General Counsel Mastercard International Incorporated [address] [phone number] One third (33.33%)

Contact Information

If you have questions about this Plan, please contact your department's HR Business Partner or Mastercard's Chief People Officer.

EXHIBIT 10.2

Amended (a) Subject to (b) and Restated Mastercard International Incorporated Change in Control Severance Plan

The Amended and Restated Mastercard International Incorporated Change in Control Severance Plan (the "Plan") sets forth (c) below, the guidelines for Mastercard International Incorporated ("Mastercard") and certain interest of its Affiliates and subsidiaries that participate the Employee in the Plan (the "Participating Employers" and collectively with Mastercard, "the Company") Stock Option shall vest with respect to change in control severance payments one third (33.33%) of the Stock Option on each of the first, second and benefits to certain third anniversaries of their employees who meet the eligibility requirements Grant Date, conditioned upon the Employee's continued employment with the Company or an Affiliated Employer as of each vesting date. In the event of the Employee's Termination of Employment with the Company or an Affiliated Employer for any reason other than as set forth in (b) or (c), the Plan. At all times, payments under unvested portion of the Plan Stock Option shall be made solely from forfeited. A transfer of Employee's employment among the general assets Company and any Affiliated Employer shall not be treated as a Termination of Employment hereunder.

(b) In the event that the Employee's employment with the Company or an Affiliated Employer terminates by reason of the Company. This Plan document constitutes Employee's death after the Summary Plan Description for Grant Date, 100 percent of the Plan Employee's interest in accordance the Stock Option shall vest and become immediately exercisable. In the event of the Employee's Termination of Employment with the Employee Company or an Affiliated Employer due to Disability or Retirement Income Security Act seven months or longer after the Grant Date, unless circumstances exist at the time of 1974, Termination of Employment that would constitute Cause, the Employee's interest in the Stock Option shall continue to vest and become exercisable as amended ("ERISA"). if there was no Termination of Employment.

Effective Date

The Plan was effective as of August 1, 2009, was amended and restated as of June 5, 2012, June 25, 2018 and April 11, 2022, and is further amended and restated as of October 17, 2023.

Participating Employers

The Participating Employers consist (c) In the event of the Affiliates and subsidiaries Employee's Termination of Mastercard employing the individuals eligible to participate in the Plan, as designated below under "Eligibility." To the extent required by applicable laws and unless otherwise determined by Mastercard, such Participating Employers shall adopt the Plan in order for their eligible employees to become Plan participants. The list of the Participating Employers as of the Effective Date of the Plan, as amended, is attached to this Plan as Exhibit A.

Eligibility

Members of the Mastercard Incorporated's Executive Leadership Team and such other employees who are selected in writing by the Human Resources and Compensation Committee of Mastercard's Board of Directors (the "HRCC"), in its sole and absolute discretion, shall be eligible to participate in the Plan ("Eligible Employees"), to the extent such individuals are not subject to an employment agreement (or other similar agreement) which provides them with eligibility for severance.

Qualification

a. the Eligible Employee is terminated Employment by the Company or by the Company's an Affiliated Employer, or successor thereto, without "Cause" (as such term is defined in the "Definitions" section), and such termination occurs within Cause six (6) months preceding or within two (2) years following a Change in Control, or b. the Eligible Employee terminates his or her employment with the Company or with the Company's successor for "Good Reason" (as such term is defined in the "Definitions" section), and such termination occurs within six (6) months preceding, or within two (2) years following, a Change in Control.

The Eligible Employee's employment may be terminated at the option 100 percent of the Eligible Employee, effective ninety (90) days after the giving of written notice to the Company by such Eligible Employee of the grounds for termination for Good Reason, which grounds, as specified by the Eligible Employee, have not been cured by the Company during such ninety (90) day period; provided, however, that such Eligible Employee's then unvested interest in the Stock Option shall vest upon the later of the Employee's termination date or the Change in Control.

4. Term and Termination.

The Stock Option shall expire on the earlier of (i) the tenth anniversary of the Grant Date, or (ii) in the case of a Stock Option that has vested at the time of an Employee's Termination of Employment other than by death, Disability, or Retirement, 120 days from the date of the Employee's Termination of Employment. In the event an Employee's Termination of Employment is due to death, Disability, Retirement, or is in connection with a Change in Control under the circumstances specified in Section 3(c) above, the Stock Option shall expire on the tenth anniversary of the Grant Date. Expiration on a date shall occur as of the closing time of regular trading on the market on which the Company's Common Shares are traded on that date or, if that date is not a date on which such market is open for trading, as of the closing time of regular trading on the market on which the Company's Common Shares are traded on the immediately preceding trading date. The Employee gave is solely responsible for any election to exercise the Stock Option, and the Company has no obligation to provide notice to the Employee of any matter, including, but not limited to, the date the Stock Option terminates. Neither the Company nor any Affiliated Employer has any liability in the event of the event(s) constituting Good Reason within sixty (60) days after such event(s). Employee's failure to timely exercise any vested Stock Option prior to its expiration.

The 5. Transfer Restrictions.

Other than by will or by the laws of descent and distribution, the Stock Option may not be sold, assigned, margined, transferred, encumbered, conveyed, gifted, hypothecated, pledged, or otherwise disposed of and may not be subject to lien, garnishment, attachment or other legal process, except as expressly permitted by the Plan. During the Employee's lifetime, the Stock Option is exercisable only by the Employee.

6. Stockholder Rights.

Prior to the time that the Company may waive all or part has issued Common Shares on an Employee's exercise of the ninety (90) day notice required Employee's interest in his or her Stock Option, the Employee will not be deemed to be given by the Eligible Employee hereunder by giving written notice to such Eligible Employee.

Circumstances holder of, Ineligibility

Notwithstanding the foregoing, an Eligible Employee shall not be entitled to receive Change in Control Pay (as defined below) if or have any of the following Circumstances rights of Ineligibility apply a holder with respect to, any Common Shares deliverable with respect to such Eligible Employee. Stock Option.

a.7. Changes in Stock.

In the Eligible Employee's employment is terminated due event of any change with respect to death or, at the option outstanding Common Shares contemplated by Section 4.6(1) of the Company, upon Plan, the "Disability" (as such term is defined Stock Option may be adjusted in the "Definitions" section) accordance with Section 4.6(1) of the Eligible Employee;

b. the Eligible Employee elects to voluntarily terminate his or her employment with the Company or a successor for any reason other than for Good Reason;

c. the Eligible Employee's employment with the Company or a successor is terminated for Cause, at any time preceding or following a Change in Control; Plan.

The Eligible Employee's employment may be terminated for "Cause" by the Company, upon the authority of Mastercard's CEO, effective upon the giving of written notice by the Company to the Eligible Employee of such termination for "Cause," or effective upon such other date as specified therein ("Notice of Termination for Cause"). The Company's Notice of Termination for Cause shall state the date of termination and the basis for the Company's determination that the Eligible Employee's actions establish Cause hereunder. 8.

d. the failure by the Eligible Employee to give notice of termination for Good Reason (as described above); or e. the Eligible Employee becomes employed by a Company Entity.

In no event shall a Change in Control of the Company alone, without a related termination of employment, give rise to any Change- in-Control Pay and benefits under the Plan.

Amount and Duration of Change in Control Severance Payments

If the Eligible Employee is entitled to receive Change in Control Pay, and has not been rendered ineligible for receipt of such Change in Control Pay due to a Circumstance of Ineligibility, the Eligible Employee shall be entitled to the following payments:

a. Accrued Payments

The Eligible Employee shall be entitled to the following payments following the Date of Termination (as such term is defined in the “Definitions” section):

a lump sum payment (subject to any previously elected deferrals under the Mastercard Incorporated Deferral Plan), within thirty (30) days following the Date of Termination of all “Base Salary” (as such term is defined in the “Definitions” section) earned but not paid prior to the Date of Termination; Compliance with Law.

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a lump sum payment within thirty (30) days following the Date of Termination equal to all accrued but unused vacation time up No Common Shares will be delivered to the Date Employee upon the Employee’s exercise of Termination;

a pro rata portion (based upon actually completed calendar months worked) his or her interest in the Stock Option unless counsel for the Company is satisfied that such delivery will be in compliance with all applicable laws, including, without limitation, any rule, regulation or procedure of the annual incentive bonus payable for the year in U.S. national securities exchange upon which the Eligible Employee’s termination Company’s Common Shares are traded or any listing agreement with any such securities exchange, or any other requirement of employment occurs based on law or of any administrative or regulatory body having jurisdiction over the actual performance Company or an Affiliated Employer.

9. Death of Employee.

In the event of the Company for Employee’s death, the applicable performance period as determined Stock Option shall be exercisable by the HRCC executor or administrator of the Employee’s estate or the person to whom the Stock Option has passed by will or the laws of descent and payable distribution in accordance with the regular bonus pay practices Section 5 of the Company; and this Agreement.

10. Taxes.

to the extent not already paid, the annual incentive bonus for the year immediately preceding the year in which the Eligible Employee’s Date of Termination occurs, payable in the amount and at the time such bonus would have been paid had he or she remained employed.

b. Change in Control Pay

The Eligible Employee shall be entitled to receive (i) Base Salary continuation, liable for any and (ii) all taxes, including income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, fringe benefits tax, payment (subject on account or other tax-related items (“Tax-Related Items”), arising out of the transfer of Common Shares on exercise of the Stock Option or any other taxable event in connection with the Stock Option.

Prior to any previously elected deferrals under such taxable event, the Mastercard Incorporated Deferral Plan), of an amount equivalent Employee (or the Employee’s estate) shall pay or make adequate arrangements satisfactory to the average annual incentive bonus received by such Eligible Employee with respect to the prior two (2) years of the Eligible Employee’s employment by the Company or, if different, the Eligible Employee’s employer (the “Employer”) to meet the Company’s or the Employer’s withholding obligations for Tax-Related Items. In this regard, the Employee was may satisfy such Tax-Related Items obligations by delivery of cash or a certified check or delivery of cash by a broker-dealer as part of a “cashless” exercise. The Company is also authorized to deduct from the total number of Common Shares the Employee is to receive on exercise of the Stock Option, a number of Common Shares with a total value equal to the amount necessary to satisfy any such withholding obligation. If the Tax-Related Items withholding is satisfied by withholding in Common Shares, for tax purposes, the Employee is deemed to have been issued the full number of Common Shares subject to the exercised Stock Option, notwithstanding that a number of the Common Shares is held back solely for the purpose of paying the Tax-Related Items.

Alternatively, provided the Employee is not employed by subject to Securities and Exchange Commission Rule 16b-3, the Company may sell or arrange for each the sale of a sufficient number of Common Shares issued to the Employee upon exercise of the prior two (2) years, an amount equivalent Stock Option to any annual incentive bonus received by meet the Eligible Employee for any full year in which he or she was employed by the Company during such prior two (2) year period, and if the Eligible Employee was not employed by the Company for any full year during such two (2) years, then an amount equivalent to the Eligible Employee’s target annual incentive bonus for the year in which his or her Date of Termination occurs(the “Average Bonus Payment”), payable on a schedule in accordance with the regular payroll practices (but in no event less frequently than monthly) of the Company (such Base Salary continuation and Average Bonus Payment being collectively referred to herein as “Change in Control Pay”) for, and with respect to a twenty-four (24) month period following the Eligible Employee’s Date of Termination (the “Change in Control Pay Period”); provided, however, that in no event shall the Change in Control Pay Period extend beyond the Eligible Employee’s Mandatory Retirement. Notwithstanding the foregoing, each payment of Change in Control Pay to which the Eligible Employee becomes entitled pursuant to this Plan shall be reduced, dollar for dollar, by each severance payment, if any, to which such Eligible Employee becomes entitled under the Amended and Restated Mastercard International Incorporated Executive Severance Plan or the Amended and Restated Mastercard International Incorporated Severance Plan.

c. Medical Benefits Continuation Tax-Related Items withholding obligation.

The Eligible Employee shall be entitled to payment by the Company on the Eligible Employee's behalf, for the monthly cost of the premiums for coverage under the Consolidated Omnibus Reconciliation Act of 1985, as amended ("COBRA"), for a period equivalent to the eighteen (18) month COBRA period (twenty-nine (29) month period, if the Eligible Employee is disabled under the Social Security Act within the first sixty (60) days of the continuation period) or the Change in Control Pay Period, whichever is shorter (the "Medical Benefits"), provided, however, such coverage shall not be provided if during such period the Eligible Employee is or becomes ineligible under the provisions of COBRA for continuing coverage; and provided, further, that if the Eligible Employee is eligible for Retiree Health Coverage under the Mastercard Retiree Health Plan, the Company shall pay the full cost of such Retiree Health or COBRA coverage, (or, as applicable, during the Change Employer) may withhold or account for Tax-Related Items by considering statutory withholding rates or other applicable withholding rates, including maximum rates applicable in Control Pay Period the Employee's jurisdiction(s), and thereafter, retiree contribution levels provided under the provisions of the Retiree Health Plan shall apply.

d. Outplacement Services

The Eligible Employee shall be entitled to reasonable outplacement services, to be provided by a firm selected by the Company, at a level generally made available to executives of the will do so

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using the information in its applicable systems and other business records at the time of such withholding event. In the event of over-withholding in or through sale of Common Shares, the Employee may receive a refund from the local tax authorities of any over-withheld amount in cash and will have no entitlement to the Common Share equivalent. In the event the withholding deducted is less than the Tax-Related Items for which the Employee is liable, the Employee may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

The Employee agrees to pay to the Company or the Employer, including through withholding from the Employee's wages or other cash compensation paid to the Employee by the Company and/or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for the shorter as a result of the Change Employee's participation in Control Pay Period the Plan that cannot be satisfied by the means previously described.

Finally, the Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by the Employee is and remains the Employee's responsibility, regardless of any withholding by the Company or the period he Employer, and that the Company and the Employer: (a) make no representations or she remains unemployed. undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Stock Option, including the grant of the Stock Option, the vesting of the Stock Option, the exercise of the Stock Option, the subsequent sale of any Common Shares acquired pursuant to the Stock Option, or the receipt of any dividends; and (b) do not commit to structure the terms of the grant or any aspect of the Stock Option to reduce or eliminate the Employee's liability for Tax-Related Items. The Company may refuse to issue or deliver the Common Shares, or the proceeds of the sale of Common Shares, if the Employee fails to comply with the Employee's obligations in connection with the Tax-Related Items.

e. Additional Payments11. Restrictive Covenants.

The Eligible If, at the Grant Date, the Employee shall be entitled is a Vice President (or equivalent) of the Company or an Affiliated Employer or holds a role above the level of Vice President (or its equivalent), and provided that the Employee's regular place of employment is not in California or Ontario, then in consideration of the grant of this Stock Option, the Employee agrees to such other benefits, if the restrictive covenants and associated remedies as set forth below, which exist independently of and in addition to any obligation to which such Eligible the Employee is expressly subject under the terms of any Mastercard LTIP Non-Competition Agreement that the Company requires the Employee to execute in order to be eligible to participate in the Plan:

(a) The Employee agrees for a period of twelve months following the termination of the Eligible Employee's Employee's employment by the Company without Cause or by the Eligible Employee with Good Reason, payable or made available under such terms and conditions as may be provided by the then existing plans, programs and/or arrangements of the Company (other than any severance payments payable under the terms of any benefit plan, including, but not limited to, the Amended and Restated Mastercard International Incorporated Severance Plan).

f. Separation Agreement and Release

The Company's obligations to make payments and provide benefits under this "Amount and Duration of Change in Control Severance Payments" section, paragraphs (b)-(d), are conditioned upon the Eligible Employee's execution (without revocation) of the Company's separation agreement and release of all claims related to the Eligible Employee's employment or the termination thereof in a form satisfactory to Mastercard (the "Separation Agreement and Release"), which Separation Agreement and Release shall include a 2-year non-competition restriction and a 2-year non-solicitation restriction, as more fully described in such Separation Agreement and Release, provided that if the Eligible Employee should fail to execute such Separation Agreement and Release within sixty (60) days following the Date of Termination, the Company shall not have any obligation to make the payments and provide the benefits contemplated under this "Amount and Duration of Change in Control Severance Payments" section, paragraphs (b)-(d). In the event of Change in Control Pay in the case in which the Eligible Employee is provided with a notice period, the Severance Pay shall be payable beginning at the end of the notice period (provided that the Separation Agreement and Release has been fully executed and legally effective as of the last day of the notice period). In the event of Change in Control Pay in the case in which the Eligible Employee is not provided with a notice period, the Change in Control Pay payable during the period following the Eligible Employee's Date of Termination during which the Eligible Employee is required to execute a legally effective Separation Agreement and Release shall be aggregated and paid in a lump sum on the 60th day following the Date of Termination, with subsequent payments following over the original schedule during the Change in Control Pay Period (unless required to be paid six months plus one day after the Date of Termination).

Rehired Eligible Employees

If, following an Eligible Employee's Date of Termination, an Eligible Employee is rehired by the Company or an Affiliated Employer for any Company Entity reason, the Employee will not directly or is retained by the Company indirectly for him- or herself or any Company Entity as a consultant, his third party: (i) engage, participate or her Change invest in Control Pay, Medical Benefits and outplacement services under this Plan will cease and be forfeited as of the date of reemployment (one percent (1%) ownership or the effective date of the consultancy, and no further severance payments and/ more), own or benefits will be paid become employed by or provided by the Company to such Eligible Employee.

Income Taxes

The change in control severance payments and benefits provided hereunder are subject to all applicable foreign, federal, state, and local tax withholding and generally are taxable income to the Eligible Employee.

Section 409A of the Code

Notwithstanding render (whether or not for compensation) any other provision of the Plan, if any payment, compensation consulting, contractor, advisory or other services to or for the benefit provided to the Eligible Employee in connection with his or her employment termination is determined, in whole or in part, to constitute "nonqualified deferred compensation" within the of Visa, American Express,

Discover, PayPal, China Union Pay including any of their respective subsidiaries, affiliates and successors AND any other competitor or any third party that the Employee knows intends to be a competitor of Mastercard International Incorporated including any of its subsidiaries and affiliates (collectively, "Mastercard"); (ii) solicit, induce, recruit or otherwise entice away from Mastercard any other employee, agent or consultant of Mastercard who could damage Mastercard's interests; or (iii) solicit, induce any customer or supplier of Mastercard, or other person engaged in business with Mastercard to terminate, reduce or otherwise modify any commercial arrangement with Mastercard.

(b) Violation of Restrictive Covenants. If the Employee breaches any of the terms of the restrictive covenants in Section 11(a) above, any outstanding portion of the Stock Option, whether vested or unvested, shall be immediately and irrevocably forfeited. Further, if any portion of the Stock Option that vested within twelve months prior to the termination of the Employee's employment with the Company or an Affiliated Employer or at any time after the Employee's termination has been exercised by the Employee, the Employee may be required to repay or otherwise reimburse the Company an amount having a value equal to the aggregate fair market value (determined as of the date of exercise) of any Common Shares transferred to the Employee as a result of the exercise of such Stock Option, less the exercise price paid for such Common Shares. This Section 11(b) does not constitute the Company's exclusive remedy for the Employee's violation of the Employee's restrictive covenant obligations, and in the event of a breach or threatened breach by the Employee of any provision of Section 11(a), the Employee agrees that the Company and any applicable Affiliated Employer shall be entitled to an injunction or restraining order to prevent such breach or threatened breach in addition to any other remedies permitted by applicable law.

This Section 11 shall be construed to the maximum extent permitted by applicable law and may be modified as strictly necessary to be legally enforceable as determined by a court of competent jurisdiction ruling on this Agreement. The Company may release the Employee from any and all provisions in this Section 11 by providing written notice of the release.

12. Discretionary Nature of Plan.

The Employee acknowledges and agrees that the Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of a Stock Option under the Plan is a one-time benefit and does not create any contractual or other right to receive a grant of a Stock Option, other awards under the Plan, or benefits in lieu of such awards in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the number of Stock Options granted, and vesting provisions.

13. Section 409A.

The Stock Option is not intended to provide for a “deferral of compensation” within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, (“Section 409A”) and the Eligible Employee is a specified employee as defined in Section 409A(a)(2)(b)(i) of the Code, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the Date of Termination (such date, the “New Payment Date”). The aggregate of any payments that otherwise would have been paid to the Eligible Employee during the period between the Date of Termination interpreted, administered and the New Payment Date shall be paid to the Eligible Employee construed in a lump sum on such New Payment Date. Thereafter, any payments manner consistent with that remain outstanding as of intent. To the day immediately following extent the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of the Plan. If the Eligible Employee dies during the period between the Date of Termination and the New Payment Date, the amounts withheld on account of Company determines that this Agreement is subject to Section 409A, of the Code shall be paid to the Eligible Employee’s beneficiary within thirty (30) days of the Eligible Employee’s death or within such longer period as permitted by Section 409A of the Code.

Notwithstanding the preceding paragraph, Change in Control Pay in an amount up to two (2) times the lesser of: (i) the Eligible Employee’s Base Salary for the year preceding the year in which the Date of Termination occurs; and (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which the Date of Termination occurs, shall be paid in accordance with the schedule set forth in the “Amount and Duration of Change in Control Severance Payments” section, paragraph (b), without regard to such six (6) month delay.

The Plan is intended to comply but does not conform with the requirements of Section 409A of the Code, and, specifically, Company may at its sole discretion amend or replace the Agreement to cause the Agreement to be exempt from or comply with Section 409A. The Company makes no representation that the separation pay exemption and short-term deferral exemption of Section 409A of the Code, and shall in all respects be administered in accordance Agreement is exempt from or complies with Section 409A of the Code. Notwithstanding anything in the Plan and makes no undertaking to preclude Section 409A from applying to the contrary, distributions may only Agreement. The Company will have no liability to the Employee or to any other party if the Agreement that is intended to be made under the Plan upon an event and in a manner permitted by exempt from or compliant with Section 409A is not so exempt or compliant or for any action taken by the Company with respect thereto.

14. Consent to On-Line Grant and Acceptance.

The Employee acknowledges and agrees that, as a term of the Code this Stock Option grant, any grant, communication, acceptance of such grant, or an applicable exemption. All payments exercise of such grant, is permitted to be made upon a termination and processed through the on-line system operated and maintained for this purpose. The Employee further acknowledges and agrees that execution of employment any documents through such system shall have the same force and effect as if executed in writing.

15. Recoupment Policy.

As an additional condition of receiving the Stock Option, the Employee agrees that the Stock Option and any benefits the Employee may receive hereunder shall be subject to forfeiture and/or repayment to the Company: (a) to the extent required, or to satisfy any required recovery, under the Plan may only terms of any recoupment or “clawback” policy adopted by the Company and in effect as of the Grant Date, including, without limitation, the Mastercard Incorporated Executive Officer Incentive Compensation Recovery Policy; (b) to comply with any recoupment requirement imposed under applicable laws, rules, regulations or stock exchange listing standards; and/or (c) in the event the Employee engages in misconduct which has or might reasonably be expected to have material reputational or other harm to the Company or in any other conduct constituting Cause (together, “Misconduct”) or if the Employee has known of or been willfully blind to Misconduct on the part of any individual over whom the Employee has supervisory authority. A recovery under this Section 15 can be made upon a “separation from service” under by withholding compensation otherwise due to the Employee, by cancelling vested or unvested Stock Options or by such other means determined appropriate by the Committee. The Recoupment Policy set forth in this Section 409A of the Code. For purposes of Section 409A of the Code, the right to a series of installment payments under the Plan 15 shall be treated as a right applied by the Committee, at its discretion, to a series of separate payments. In no event may the Eligible maximum extent permitted under applicable law.

16. Governing Law; Jurisdiction and Venue.

The Employee directly or indirectly, designate the calendar year of a payment. All reimbursements acknowledges and in-kind benefits provided under the Plan and the Separation agrees that this Agreement and Release shall be made or provided construed and enforced in accordance with the requirements of Section 409A laws of the Code, including, where applicable, the requirement that (i) any reimbursement shall be for expenses incurred during the Eligible Employee’s lifetime (or during a shorter period State of time specified in the Plan or the Separation Agreement and Release, as applicable), (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.
Federal Excise Tax under Section 4999 of the Code

a. Excise Tax Adjustment Provision

In the event that the benefits provided for in this Plan (together with any other benefits or amounts) otherwise constitute “parachute payments” within the meaning of Section 280G of the Code and would, but for this paragraph (a) be subject to the excise tax imposed by Section 4999 of the Code (the “Excise Tax”), then a participant’s benefits under this Plan shall be either: (i) delivered in full, or (ii) delivered as to such lesser extent as would result in no portion of such benefits being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by the participant on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code. In the event of a reduction of benefits hereunder, the Accountants (as defined below) shall determine which benefits shall be reduced so as New York without reference to

achieve principles of conflict of laws. The Employee further acknowledges and agrees that except to the principle extent any legal suit, action or proceeding arising out of or relating to this Agreement is subject to a binding arbitration agreement between the Employee and the Company or an Affiliated Employer, any such suit, action or proceeding shall be instituted in a federal or state court in the State of New York, and the Employee waives any objection which the Employee may now or hereafter have to the laying of venue of any such suit, action or proceeding and irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding.

17. Miscellaneous.

(a) The parties agree to execute such further instruments and to take such action as may reasonably be necessary to carry out the intent of this Agreement.

(b) Any notice required or permitted hereunder that is not covered by Section 14 above shall be given in writing and shall be deemed effectively given upon delivery to the Employee at the address then on file with the Company or upon delivery to the Company at 2000 Purchase Street, Purchase, New York 10577, Attn: EVP, Total Rewards.

(c) Neither the Plan nor this Agreement nor any provisions under either shall be construed so as to grant the Employee any right to remain in the employ of the Company or an Affiliated Employer. Neither the Plan nor this Agreement shall interfere with the rights of the Company or an Affiliated Employer, as applicable, to terminate the employment of the Employee and/or take any personnel action affecting the Employee without regard to the effect which such action may have upon the Employee as a recipient or prospective recipient of any benefits under the Plan or this Agreement.

The value of the Stock Option granted hereunder is an extraordinary item of compensation outside the scope of the Employee’s terms and conditions of employment and/or employment contract, if any. As such, the Stock Options granted hereunder are not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.

(d) The Company reserves the right to impose other requirements on the Stock Option, any Common Shares acquired or payment made pursuant to the Stock Option, and the Employee's participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable. Such requirements may include (but are not limited to) requiring the Employee to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

(e) Notwithstanding any provisions in this Agreement, the Stock Option will be subject to any country-specific terms set forth in the preceding sentence. Where two Addendum for the Employee's country of residence or employment. Moreover, if the Employee relocates to

one of the countries included in the Addendum, the terms for such country will apply to the Employee, to the extent the Company determines that the application of such terms is necessary or advisable. The Addendum constitutes part of this Agreement.

(f) The provisions of this Agreement are severable and if any one or more economically equivalent amounts provisions are subject determined to reduction but payable at different times, be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable. Further, upon a determination that any term or other provision of this Agreement is illegal or otherwise incapable of being enforced, such amounts payable at the later time term or other provision shall be reduced first deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the illegal or unenforceable term or provision.

(g) This Agreement, along with the incorporated grant statement, an executed Mastercard LTIP Non-Competition Agreement, and any special provisions for the Employee's country of residence or employment, as set forth in the applicable Addendum, constitutes the entire agreement of the parties with respect to the subject matter hereof.

By /s/ ______________________
Name:
Title:

EXHIBIT 10.3

FORM OF
PERFORMANCE STOCK UNIT AGREEMENT
20XX GRANT

[effective for awards granted on and subsequent to March 1, 2024]

Name: xxxxxx
$ Granted: $ xxx,xxx

THIS AGREEMENT, dated as of March 1, 20xx, ("Grant Date") is between Mastercard Incorporated, a Delaware Corporation ("Company"), and you (the "Employee"). Capitalized terms that are used but not below zero; provided, however, that defined in no event shall this Agreement have the foregoing be interpreted or administered so meanings given to them in the 2006 Long Term Incentive Plan, as to result in an acceleration amended ("Plan").

WHEREAS, the Company has established the Plan, the terms of payment or further deferral of payment of any amounts (whether under this Plan or any other arrangement) in violation of Section 409A which are made a part hereof;

WHEREAS, the Human Resources and Compensation Committee of the Code. If any parachute payments are paid in full, the participant will be solely responsible for the payment Board of any Excise Tax and Mastercard will have no further obligations with respect thereto.

b. Determination of Adjustments

Unless Mastercard and the Plan participant otherwise agree in writing, all determinations required to be made under this section Directors of the Plan, including Company ("Committee") has approved this grant under the manner and amount of any reduction in the participant's benefits under this Plan, and the assumptions to be utilized in arriving at such determinations, shall be promptly determined and reported in writing to Mastercard and the participant by such independent public accountants or other independent advisors selected by Mastercard that are not serving as the accountants or auditors for the individual, entity or group effecting the Change in Control (the "Accountants"), and all such computation and determinations shall be conclusive and binding upon the Plan participant and Mastercard. All fees and expenses terms of the Accountants shall be borne solely by Mastercard, Plan;

NOW, THEREFORE, the parties hereby agree as follows:

1. Grant of Units.

Subject to the terms and Mastercard shall enter into any agreement requested by the Accountants in connection with the performance conditions of the services hereunder. For purposes of making the calculations required by this section Agreement and of the Plan, the Accountants may make reasonable assumptions and approximations concerning Company hereby grants to the application Employee <xxx> Units, as reflected in the Employee's grant statement, the terms of Sections 280G and 4999 which statement are incorporated as a part of this Agreement. Each Unit represents the right to receive an amount of the Code. Mastercard and Company's $0.0001 par value Class A Common Stock ("Common Shares") that varies depending on the Plan participant level of performance achieved on specified performance criteria during the performance period established by the Committee, which shall furnish be within or concurrent with the period from January 1, 20xx, through December 31, 20xx.

2. Vesting of Units.

Subject to section 4 below, the Accountants such information and documents as the Accountants may reasonably request to make a determination under this section interest of the Plan.

c. Interest Rate for Present Value Calculations

To Employee in the extent permitted by Q/A #32 of Units shall vest on March 1, 202xx (the "Vesting Date"), conditioned upon the Treasury Regulations under Section 280G of Employee's continued employment with the Code, with respect to performing any present value calculations that are required in connection with this section of the Plan, the Plan participant and Mastercard each affirmatively elect to utilize the Applicable Federal Rates ("AFR") that are in effect Company or an Affiliated Employer as of the date this section Vesting Date, and the achievement of the Plan is adopted performance goals established by the Committee and the Accountants shall therefore use such AFR in their determinations and calculations.

Administration of Plan

The "Plan Administrator" (as such term is defined set forth in the "Definitions" section) Employee's grant statement. In the event of the Employee's Termination of Employment with the Company or an Affiliated Employer for any reason other than as set forth in section 4, unvested Units shall have be forfeited. A transfer of Employee's employment among the exclusive right, power, Company and authority, any Affiliated Employer shall not be treated as a Termination of Employment hereunder. Vesting in its sole and absolute Units is subject to the Committee's exercise of downward discretion to administer, apply, reduce the amounts earned on achievement of

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performance goals. As a condition of the Employee's right to vest in the Units, the Employee shall be required to execute and interpret comply with any Mastercard LTIP Non-Competition Agreement that the Company requires for the Employee to be eligible to participate in the Plan, and to decide all matters arising execute any other documents required by the Committee pursuant to this Agreement. If the Employee has not executed and delivered to the Company any such required

Mastercard LTIP Non-Competition Agreement by the date required by the Company, which will in connection no event be later than the Vesting Date or such earlier vesting event pursuant to section 4(c)(ii) below, the unvested Units shall be forfeited.

3. Form and Timing of Payment.

(a) Payment Date. Except as otherwise provided in section 4(a) or 4(c)(ii) below, on the first anniversary of the Vesting Date, March 1, 20xx (or if such date is not a business day, then on the first business day thereafter) (the "Payment Date"), the Company shall pay to the Employee a number of Common Shares equal to the aggregate number of Units determined to have been earned based on achievement of the performance goals.

(b) Treatment of Vested Units. Between the Vesting Date and the Payment Date (the "Deferral Period"), the number of Units determined to have been earned ("Vested Units") will be fully vested and nonforfeitable by the Employee, subject to section 9 below. In any case under this Agreement where the Deferral Period applies, such Vested Units will accrue dividend equivalents, consisting of a cash amount equal to the number of Vested Units held by the Employee times any per share dividend payment made to holders of the Company's Common Shares during the Deferral Period. Such dividend equivalents will be paid to the Employee in cash on the Payment Date, along with the operation Common Shares distributable pursuant to section 3(a), except as otherwise provided in section 4(a) or administration 4(c)(ii) below. Vested Units will count as Common Shares for purpose of the Plan. Without limiting Employee's compliance with the generality Company's stock ownership requirement. For purposes of this Agreement, "Vested Units" shall include Units that vest at target pursuant to sections 4(a) or 4(c).

(c) Cash Settlement. Notwithstanding section 3(a) or (b) above, the foregoing, Company may, in its sole discretion, settle the Plan Administrator shall have Units in the sole and absolute discretionary authority to:

- take all actions and make all decisions with respect form of a cash payment to the eligibility for, and extent settlement in Common Shares is prohibited under local law, or would require the amount of, Change in Control Pay and benefits payable under Employee, the Plan; provided that, for avoidance of doubt, only Mastercard's CEO may nominate Eligible Employees under paragraph (c) of Company and/or the "Eligibility" section of the Plan, subject Employer to obtain the approval of any governmental and/or regulatory body in the HRCC, as provided Employee's country of residence (or country of employment, if different). Alternatively, the Company may, in its sole discretion, settle the Units in the form of Common Shares but require the Employee to immediately sell such paragraph (c);Common Shares (in which case, this Agreement shall give the Company the authority to issue sales instructions on behalf of the Employee).

- formulate, interpret and apply rules, regulations, and policies necessary to administer the Plan 4. Termination of Employment; Change in accordance with its terms;

- decide questions, including legal or factual questions, with regard to any matter related to the Plan; Control.

- to construe and interpret (a) Death. In the terms and provisions event that the Employee's employment with the Company or an Affiliated Employer terminates by reason of the Plan and all documents which relate Employee's death prior to the Plan Vesting Date, 100 percent of the Employee's then unvested Units shall vest and to decide be payable at the target level of performance and the Deferral Period shall not apply. If the Employee's employment terminates by reason of the Employee's death during the Deferral Period, the Employee's Vested Units and any and all matters arising thereunder including dividend equivalents accrued thereon will become immediately payable. In either case, payment of the right to remedy possible ambiguities, inconsistencies or omissions; and

- except as specifically provided to the contrary in the "Claims and Appeal Procedures" section, process, and approve or deny, claims for change in control severance payments and benefits under the Plan.

All determinations made by the Plan Administrator as to any question involving its responsibilities, powers and duties under the Plan shall be final and binding on all parties, to the maximum extent permitted by law. All determinations by Mastercard referred to in the Plan Units shall be made by Mastercard within 90 days following death, or where additional time is needed for administrative reasons, at such later time as is permitted under Section 409A (as defined in its capacity as an employer and settlor section 14 below). Payment shall be made to the Employee's estate.

(b) Disability or Retirement. In the event of the Plan.

Modification or Employee's Termination of Plan

Mastercard reserves Employment with the right in its sole and absolute Company or an Affiliated Employer due to Disability or Retirement seven months or longer after the Grant Date but prior to the Vesting Date, unless circumstances exist at the time of Termination of Employment that would constitute Cause, unvested Units shall continue to vest as if there had been no Termination of Employment, subject to the achievement of performance goals; provided, however, that the Committee shall have discretion to amend, modify, or terminate determine at any time during the Plan, vesting period that an Employee shall not vest in whole or in part including in a particular Unit. Where the Employee has a Termination of Employment due to Disability or Retirement before the Vesting Date, or after the Vesting Date but during the Deferral Period, payment of any or all Vested Units and any dividend equivalents accrued thereon (if applicable) will be made on the Payment Date in accordance with section 3(a).

(c) Change in Control.

(i) In the event of a Change in Control, vesting and payment will be as set forth in section 2 and section 3(a) to the provisions extent the achievement of performance goals can continue to be measured after the Plan, for any reason, at any time, by action Change in Control. To the extent the achievement of the HRCC. Notwithstanding the foregoing:

a. for a two-year period performance goals is no longer capable of measurement following a Change in Control, no amendment, modification the Employee's unvested Units shall vest at the target level of performance on the Vesting Date, conditioned upon the Employee's continued employment (except as otherwise set forth in this section 4) with the Company or termination an Affiliated Employer, or successor thereto, as of the Plan which may have a detrimental effect Vesting Date, and shall be paid along with any dividend equivalents accrued thereon, on the rights or benefits payable to any Eligible Employee may be made without such Eligible Employee's written consent; and Payment Date in accordance with section 3(a).

b. any Plan amendment which is necessary to address legal, tax or accounting requirements may be approved by action (ii) Notwithstanding section 4(c)(i) above, in the event of the Plan Administrator.

Claims and Appeal Procedures

The Plan Administrator shall make a determination in connection with the termination Employee's Termination of employment of any Eligible Employee as to whether a benefit under the Plan is payable to such Eligible Employee, taking into consideration any determination made Employment by the Company as or an Affiliated Employer, or successor thereto, without Cause or due to the circumstances regarding the termination, the Company's decision as to whether a Job Elimination or not to pay Role Refresh six months preceding or two years following a benefit under the "Qualification" section, paragraph (c), or the potential applicability of any Circumstances of Ineligibility, and as to the amount of payment. The Plan Administrator shall advise any Eligible Employee it determines is entitled to change in control severance payments and benefits under the Plan and the amount of such Change in Control Pay and benefits. The Plan Administrator may delegate any prior to the Vesting Date, the Employee's then unvested Units shall vest upon the later of the Employee's termination date or all the Change in Control and be payable at the target level of its responsibilities under this section.

Claim Procedures

Each Eligible Employee or his or her authorized representative (each, performance, and the "Claimant") claiming change in control severance payments and benefits under Deferral Period shall not apply. If the Plan who has not been advised of such change in control severance payments and benefits Employee's employment is terminated by the Plan Administrator Company or who is not satisfied with the amount of any change in control severance payments and benefits awarded under the Plan is eligible to file a written claim with the Plan Administrator.

Within ninety (90) days after receiving the claim, the Plan Administratorwill decide whether or not to approve the claim. The ninety (90)-day period may be extended by the Plan Administrator for an additional ninety (90)-day period if special circumstances require an extension of time to consider the claim. If the Plan Administrator extends the ninety (90)-day period, the Claimant will be notified in writing before the expiration of the initial 90-day period as to the length of the extension and the special circumstances that necessitate the extension.

If the claim is denied, the Plan Administrator shall set forth in writing or electronically the reasons for the denial; the relevant provisions of the Plan on which the decision is made; a description of the Plan's claim appeal procedures; and if additional material or information is Affiliated Employer,

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necessary or successor thereto, without Cause or due to perfect a Job Elimination or Role Refresh six months preceding or two years following a Change in Control and during the claim, an explanation of why such material or information is necessary. The notice Deferral Period, the Employee's Vested Units and any dividend equivalents accrued thereon will also include a statement regarding the procedures for the Claimant to file a request for review become immediately payable. In either case, payment of the claim denial Vested Units and any dividend equivalents accrued thereon (if applicable) shall be made as set forth follows: (i) in the "Appeal Procedures" section and the Claimant's right to bring a civil action under Section 502(a) event of ERISA following a claim denial on appeal.

Appeal Procedures

If a claim has been denied by the Plan Administrator and the Claimant wishes further consideration and review Termination of his or her claim, he or she must file an appeal of the denial of the claim Employment prior to the Plan Administrator no later than sixty (60) days after the receipt of the written notification of the Plan Administrator's denial. In correlation with his or her appeal, the Claimant may request the opportunity to review relevant documents prior to submission of a written statement, submit documents, records and comments Change in writing, and receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the Claimant's claim for severance and benefits under the Plan. The review of the appeal by the Plan Administrator will take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial review of the claim.

The Plan Administrator will notify the Claimant in writing or electronically of its decision with respect to its review of the appeal Control, within sixty (60) days of the receipt of the request for a review of the claim. Due to special circumstances, the Plan Administrator may extend the time to reach a decision with respect to the appeal of the claim denial, in which case the Plan Administrator will notify the Claimant in writing before the expiration of the initial 60-day period as to the length of the extension and the special circumstances that necessitate such extension and render a decision as soon as possible, but not later than one hundred twenty (120) 90 days following the receipt Change in Control; or (ii) in the event of Termination of Employment after the Change in Control, on the first business day which is at least seven months after the Termination of Employment or at such later date permitted under Section 409A.

(d) Job Elimination or Role Refresh. In the event of the Claimant's request for appeal.

If Employee's Termination of Employment with the appeal is denied, the Plan Administrator will set forth in writing Company or electronically the specific reasons for the denial and references an Affiliated Employer due to a Job Elimination or a Role Refresh prior to the relevant Plan provisions on which Vesting Date (other than in connection with a Change in Control, as provided in section 4(c)(ii)), the determination Employee's interest in a pro-rata portion of the denial is based. The notice will also include a statement unvested Units shall continue to vest as if there had been no Termination of Employment, subject to the achievement of performance goals, provided, however, that the Claimant is entitled Committee shall have discretion to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to determine at any time during the claim, and a statement of the Claimant's right to bring vesting period that an action under Section 502(a) of ERISA.

Exhaustion of Remedies under the Plan

A Claimant wishing to seek judicial review of an adverse benefit determination under the Plan, whether Employee shall not vest in whole or in part must file any suit in a particular Unit. Such continued vesting is contingent upon the Employee's execution and non-revocation of a separation agreement and/or legal action, including, without limitation, a civil action under Section 502(a) release of ERISA, all claims in a form satisfactory to the Company within one (1) year a period of no more than 75 days following the date of the date Employee's Termination of Employment. The aforementioned pro-rata portion of the final decision unvested Units shall be calculated based on the adverse benefit determination on review is issued or should have been issued or lose any rights to bring such an action. If any such judicial proceeding is undertaken, ratio of (x) the evidence presented shall be strictly limited number of calendar days worked by the Employee from the Grant Date to the evidence timely presented Employee's termination date, to (y) the Plan Administrator. A Claimant may bring an action under ERISA only after he or she has exhausted total number of calendar days in the Plan's claims and appeal procedures.

Miscellaneous Provisions

Neither original vesting schedule of the establishment Units. For purposes of this Plan, nor any modification thereof, nor section 4(d), a "Job Elimination" shall mean either (i) the payment Employee's involuntary and permanent Termination of any change in control severance payments and benefits hereunder, shall be construed as giving to any Eligible Employee, or other person, any legal or equitable right against Employment by the Company or any current an Affiliated Employer because of a permanent layoff, reduction in force, facility closing, reorganization, or former officer, director, consolidation, or employee thereof, (ii) the Employee's involuntary Termination of Employment with the Company or an Affiliated Employer after the Employee has been offered and declined continued employment with the Company or an Affiliated Employer in no event a position that is, in the Company's sole judgment, not comparable to or better than the position that the Employee previously held with the Company or an Affiliated Employer. For purposes of this section 4(d), a "Role Refresh" shall mean the terms and conditions Employee's involuntary Termination of employment Employment by the Company or an Affiliated Employer where the Company determines that a change is in the best interests of any Eligible the Company and/or an Affiliated Employer and the following conditions are met: (i) the Employee is a level 4 or higher; (ii) the Employee's last official rating and ongoing performance level is achieves or higher; (iii) the Employee has been in substantially the same role for three (3) or more years (this requirement may be modified waived for employees at levels 1 and 2); and (iv) the Employee's role is not being eliminated. Notwithstanding the foregoing, the Employee shall not be entitled to continued vesting of the Units under this section 4(d) if the Employee incurs a "Disqualifying Event" under the terms of the Mastercard International Incorporated Severance Plan or, in any way affected by this Plan. as applicable, the Amended and Restated Mastercard International

The records Incorporated Executive Severance Plan. To obtain a copy of the Mastercard International Incorporated Severance Plan, please send a request to the Employment Counsel at 2000 Purchase Street, Purchase, NY 10577. Where the Employee has a Termination of Employment due to a Job Elimination or a Role Refresh before the Vesting Date, or after the Vesting Date but during the Deferral Period, payment of any Vested Units and any dividend equivalents accrued thereon (if applicable) will be made on the Payment Date in accordance with section 3(a).

5. Transfer Restrictions.

The Units granted hereunder may not be sold, assigned, margined, transferred, encumbered, conveyed, gifted, hypothecated, pledged, or otherwise disposed of and may not be subject to lien, garnishment, attachment or other legal process, except as expressly permitted by the Plan.

6. Stockholder Rights.

Prior to the time that the Company has issued Common Shares to the Employee relating to the Employee's Vested Units, the Employee will not be deemed to be the holder of, or have any of the rights of a holder with respect to, employment history, compensation, absences, illnesses, any Common Shares deliverable with respect to such Units. Specifically, and all other relevant matters without limiting the foregoing, the Employee shall not be conclusive for all purposes of this Plan. entitled to dividends prior to being issued Common Shares. However, the Employee will be entitled to accrue dividend equivalents during the Deferral Period as provided in section 3(b).

7. Changes in Stock.

The respective terms and provisions In the event of any change with respect to outstanding Common Shares contemplated by Section 4.6(1) of the Plan, shall the Units may be construed, whenever possible, to be in conformity with the requirements of ERISA, or any subsequent laws or amendments thereto. To the extent not to conflict with the preceding sentence, the construction and administration of the Plan shall be adjusted in accordance with the laws Section 4.6(1) of the state of New York applicable Plan.

8. Compliance with Law.

No Common Shares (or cash pursuant to contracts made and section 3(c) above) will be delivered to be performed within the state of New York (without reference to its conflicts of law provisions).

Nothing contained Employee in this Plan shall be held or construed to create any liability upon accordance with section 3 above unless counsel for the Company to retain any employee is satisfied that such delivery will be in its service or to change the employee-at-will status of any employee. All employees shall remain subject to discharge or discipline to the same extent as if the Plan had not been put into effect. An employee's failure to qualify for or receive a change in control severance payments and benefits hereunder shall not establish any right to (i) continuation or reinstatement, or (ii) any benefits in lieu of change in control severance payments and benefits.

Nothing in this Plan shall preclude or limit the ability of Mastercard to pay any compensation to a Plan participant or to any other employee of the Company under Mastercard's other compensation and benefit plans and programs, compliance with all applicable laws, including, without limitation, any equity plan rule, regulation or bonus plan, program procedure of the U.S. national securities exchange upon which the Company's Common Shares are traded or arrangement. any listing agreement with any such securities exchange, or any other requirement of law or of any administrative or regulatory body having jurisdiction over the Company or an Affiliated Employer.

9. Recoupment Policy.

Notwithstanding anything (a) Forfeiture/Recoupment in this Plan to the contrary, event of Restatement. If the Employee is an Eligible Employee's severance entitlement under this Plan may be applied to offset any amounts owed by the Eligible Employee under Mastercard Incorporated's Executive Officer Incentive Compensation Recoupment Policy, if applicable to under the Eligible Employee, to the extent such offset is permitted by applicable law, including but not limited to Section 409A of the Code.
Definitions

Terms	Definitions
Affiliates	Any corporation which is included in a controlled group of corporations (within the meaning of Section 414(b) of the Code) which includes Mastercard and any trade or business (whether or not incorporated) which is under common control with Mastercard (within the meaning of Section 414(c) of the Code); provided that for purposes of this definition the ownership test percentage shall be 50% rather than 80%.
Base Salary	The Eligible Employee’s annual base salary in effect at the time of termination, except in the case of a termination of employment by the Eligible Employee for Good Reason based on a reduction of the Eligible Employee’s annual base salary, “Base Salary” shall mean the annual base salary in effect immediately prior to such reduction.
Change in Control	A change in control as set forth in the Mastercard Incorporated 2006 Long-Term Incentive Plan as it may be amended from time to time (“LTIP”).

Mastercard Incorporated Executive Officer

Cause	• the willful failure Incentive Compensation Recovery Policy (the "Executive Recoupment Policy"), the Units, any Common Shares issued on payment of the Units and proceeds realized on the sale of such Common Shares are subject to mandatory recoupment upon an Accounting Restatement (as defined in the Executive Recoupment Policy) in accordance with the terms of such policy and applicable Securities and Exchange Commission and New York Stock Exchange rules. Further, even if the Employee is not an Executive Officer under the Executive Recoupment Policy, in the event of an Accounting Restatement, the Committee, at its discretion, may require recoupment of the Units, Common Shares or proceeds as provided herein by applying the terms of the Executive Recoupment Policy to the Employee to the full extent determined appropriate by the Committee. A recovery under this section 9(a) can be made by withholding compensation otherwise due to the Employee, by the cancelling of unvested Units, by the cancelling of Vested Units during the Deferral Period, by the Company instructing any brokerage firm engaged by the Eligible Employee to perform his or her duties or responsibilities (other than due to Disability); • the Eligible Employee's engaging in serious misconduct that is injurious to the Company including, but not limited to, damage to its reputation or standing in its industry; • the Eligible Employee's having been convicted of, or entered a plea of guilty or nolo contendere to, a crime that constitutes a felony, or a crime that constitutes a misdemeanor involving moral turpitude; • the material breach by the Eligible Employee of any written covenant or agreement with the Company not to disclose any information pertaining to the Company; • the breach by the Eligible Employee of the Code of Conduct, the Supplemental Code of Conduct, any material provision of the Plan, or any material provision of the following Company policies: non-discrimination, substance abuse, workplace violence, nepotism, travel and entertainment, corporation information security, antitrust/competition law, enterprise risk management, accounting, contracts, purchasing, communications, investor relations, immigration, privacy, insider trading, financial process and reporting procedures, financial approval authority, whistleblower, anti-corruption and other similar Company policies, whether currently in effect or adopted after the Effective Date of the Plan (collectively, the "Company Policies"); or • unless otherwise determined by the HRCC, the Eligible Employee's knowledge of or willful blindness to the following conduct on the part of any individual over whom the Eligible Employee has supervisory authority: (i) actions involving serious misconduct that is injurious to the Company or (ii) a significantviolation of the Code of Conduct, the Supplemental Code of Conduct or any material provision of the Company Policies.
Company	Mastercard and its Affiliates and subsidiaries.
Company Entity	Any entity (including any subsidiary, affiliate or joint venture) in which Mastercard has a direct or indirect ownership interest of any sort (legal, beneficial, economic or voting) of not less than 20%.
Disability	Disability shall be defined as set forth under the Mastercard Long-Term Disability Benefits Plan, as it may be amended from time to time. Any dispute concerning whether the Eligible Employee is deemed to have suffered a Disability for purposes of the Plan shall be resolved in accordance with the dispute resolution procedures set forth in the Mastercard Long-Term Disability Benefits Plan, including that an Eligible Employee's Disability shall be conclusively determined by the insurer of the Mastercard Long-Term Disability Benefits Plan.
Good Reason	The occurrence of any of the following without the prior written consent of the Eligible Employee: • the assignment to a position for which the Eligible Employee is not qualified or a materially lesser position than the position held by the Eligible Employee (although duties may differ without giving rise to a termination by the Eligible Employee for Good Reason); • a material reduction in the Eligible Employee's annual Base Salary except that a 10 percent reduction, in the aggregate, over the period of the Eligible Employee's employment shall not be treated as a material reduction; or • the relocation of the Eligible Employee's principal place of employment to a location more than fifty (50) miles from the Eligible Employee's principal place of employment (unless such relocation does not increase the Eligible Employee's commute by more than twenty (20) miles), except for required travel on the Company's business to an extent substantially consistent with the Eligible Employee's business travel obligations as of the date of relocation.

Mandatory Retirement	The last day of the calendar year in which the Eligible Employee attains the age of sixty-five (65), subject to such other mandatory retirement provision in the Eligible Employee's employment agreement or otherwise applicable to the Eligible Employee, if any.
Mastercard	Mastercard International Incorporated.
Plan Administrator	Executive Vice President, Total Rewards of Mastercard (or his or her functional successor).
Date of Termination	The date on which the Eligible Employee incurs a termination of employment as described in the "Qualification" section or such other date on which an Eligible Employee incurs a "separation from service" determined using the default provisions set forth in Section 1.409A-1(h) of the Treasury Regulations. Pursuant to such default provisions, an Eligible Employee will be treated as no longer performing services for the Company when the level of services he or she performs for the Company decreases to a level equal to 20% or less of the average level of services performed by such Eligible Employee during the immediately preceding 36 months.

Your Rights Under ERISA

The Department of Labor has issued regulations that require the Company to provide you with a statement of your rights under ERISA with respect hold any Common Shares or other amounts acquired pursuant to this Plan. The following statement was designated the Units to re-convey, transfer or otherwise return such Common Shares and/or other amounts to the Company, as shall be authorized by the Department of Labor to satisfy Employee in accepting this requirement and is presented accordingly. Agreement, or by such other means determined appropriate by the Committee.

As a participant

(b) Forfeiture/Recoupment in the Plan, you are entitled event of Detrimental Behavior. In the event an Employee engages in misconduct which has or might reasonably be expected to certain rights have material reputational or other harm to the Company or in any other conduct constituting Cause (together, "Misconduct") or if the Employee has known of or been willfully blind to Misconduct on the part of any individual over whom the Employee has supervisory authority, the Committee has the discretion to recover the Units, any Common Shares issued on payment of the Units and protections proceeds realized on the sale of such Common Shares. A recovery under ERISA. ERISA provides that all Plan participants are entitled to:

Receive Information About Your Plan and Benefits

1. Examine, without charge, all Plan documents and copies this section 9(b) can be made by withholding compensation otherwise due to the Employee, by the cancelling of all documents filed unvested Units, by the cancelling of Vested Units during the Deferral Period, by the Company with instructing any brokerage firm engaged by the Department of Labor. This includes annual reports and Plan descriptions. All such documents are available for review in your Human Resources Department.

2. Obtain, upon written request Company to hold any Common Shares or other amounts acquired pursuant to the Plan Administrator, copies of documents governing Units to re-convey, transfer or otherwise return such Common Shares and/or other amounts to the operation of Company, as shall be authorized by the Plan, including copies of Employee in accepting this Agreement, or by such other means determined appropriate by the latest annual report (Form 5500 Series) Committee.

(c) Forfeiture/Recoupment Required by Law. The Recoupment Policy set forth in this Section 9 shall be applied by the Committee to the maximum extent required under applicable law, and an updated summary plan description. The Plan Administrator may charge you a reasonable fee for otherwise, at the copies.

3. Receive a summary of Committee's discretion, to the Plan's annual financial report. Once each year, maximum extent permitted under applicable law. Further, the Plan Administrator will send you a Summary Annual Report of the Plan's financial activities at no charge.

Prudent Action by Fiduciaries

In Recoupment Policy set forth in this section 9 is in addition to, creating rights for Plan participants, ERISA imposes duties upon and not in lieu of, any recoupment requirements under the people who are responsible for Sarbanes-Oxley Act or under other applicable laws, rules, regulations or stock exchange listing standards, and shall apply notwithstanding anything to the operation of the Plan. The people who operate your Plan, called fiduciaries of the Plan, have a duty to do so prudently and contrary in this Agreement or in the interest of you and other Plan participants.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension or welfare benefit or exercising your rights under ERISA.

Enforcing Your Rights

If your claim for change in control severance payments and benefits is denied or ignored in whole or in part, you have a right to receive a written explanation of the reason for the denial, to obtain copies of documents related to the decision without charge, and to appeal any denial, all within certain time schedules. You have the right to have your claim reviewed and reconsidered. You also have the right to request a review of the denial of your claim as explained in the "Appeal Procedures" section. No one, including your employer or any other person, may discriminate against you in any way to prevent you from obtaining change in control severance payments and benefits under the Plan or exercising your rights under ERISA.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within thirty (30) days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for change in control severance payments and benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court after you have exhausted the Plan's claims and appeal procedures as described in the section "Claims and Appeal Procedures" hereof. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the Department of Labor, or you may file suit in a federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator through your Human Resources Department. They will be glad to help you. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest Area Office of the Employee Benefits Security Administration, Department of Labor, listed in your telephone directory, or you may contact:

The Division of Technical Assistance and Inquiries
Employee Benefits Security Administration,
Department of Labor
200 Constitution Avenue, N.W., Room 5N625
Washington, DC 20210
1-866-444-EBSA (1-866-444-3272)
www.dol.gov/ebsa (for general information)
www.askebsa.dol.gov (for electronic inquiries)

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-866-444-3272.

Administrative Facts

Topic	Description
Plan Name	Amended and Restated Mastercard International Incorporated Change in Control Severance Plan
Plan Sponsor	Mastercard International Incorporated [address]
Source of Contributions to Plan	Employer payments from corporate assets
Employer Identification Number	
Plan Number	______
Plan Administrator	Executive Vice President, Total Rewards (or his or her functional successor). Mastercard International Incorporated [address] [phone number]
Agent for Receiving Service of Legal Process	General Counsel Mastercard International Incorporated [address] [phone number]

Contact Information

If you have questions about this Plan, please contact your department's HR Business Partner or Mastercard's Chief People Officer. Plan.

EXHIBIT A

10. Taxes.

PARTICIPATING EMPLOYERS The Employee shall be liable for any and all taxes, including income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items ("Tax-Related Items"), arising out of this grant, vesting, or the issuance of the Common Shares hereunder or any other taxable event in connection with the Units.

Prior to any such taxable event, the Employee (or the Employee's estate) shall pay or make adequate arrangements satisfactory to the Company or, if different, the Employee's employer (the "Employer") to meet the Company's or the Employer's withholding obligations for Tax-Related Items. In this regard, the Company is authorized to deduct from the total number of Common Shares the Employee is to receive on settlement of the Units a number of Common Shares with a total value equal to the amount necessary to satisfy any such withholding obligation. If the Tax-Related Items withholding is satisfied by withholding in Common Shares, for tax purposes, the Employee is deemed to have been issued the full number of Common Shares subject to the Vested Units, notwithstanding that a number of the Common Shares is held back solely for the purpose of paying the Tax-Related Items.

Alternatively, provided the Employee is not subject to Securities and Exchange Commission Rule 16b-3 ("Rule 16b-3"), the Company may sell or arrange for the sale of a sufficient number of Common Shares issued to the Employee upon settlement of the Units to meet the Tax-Related Items withholding obligation.

The Company (or, as applicable, the Employer) may withhold or account for Tax-Related Items by considering statutory withholding rates or other applicable withholding rates, including maximum rates applicable in the Employee's jurisdiction(s), and will do so using the information in its applicable systems and other business records at the time of such withholding event. In the event of over-withholding, the Employee may receive a refund from the local tax authorities of any over-withheld amount in cash and will have no entitlement to the Common Share equivalent. In the event the withholding deducted is less than the Tax-Related Items for which the Employee is liable, the Employee may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Further, to the extent that any obligation to withhold Tax-Related Items arises prior to settlement of the Units, the Company may cause the Units to vest prior to the Vesting Date, and/or to be deemed payable prior to the Payment Date, for the purpose of satisfying such obligation by withholding or selling of Common

Shares as provided for above (to the extent such methods are otherwise permitted under this Agreement), provided that (a) to avoid a prohibited acceleration under Section 409A, the number of Units so vested and/or deemed payable will not exceed the number necessary to satisfy the liability for Tax-Related Items; and (b) if the Employee is subject to Rule 16b-3, any withholding in Common Shares pursuant to the foregoing will either be approved in advance by the Human Resources and Compensation Committee or solely at the election

US:

of the Employee. Pursuant to the foregoing and without limiting the discretion and authority of the Company as provided herein with respect to any other applicable Tax-Related Items, the Employee will have the right to elect to have the Company satisfy any Federal Insurance Contributions Act taxes required to be withheld before settlement of the Units by causing a sufficient portion of the Units to be deemed payable and withholding in Common Shares. If Tax-Related Items are withheld prior to the Payment Date by the method described in this paragraph, the number of Units scheduled to be paid on the Payment Date will be reduced by the number of Units used to satisfy such Tax-Related Items.

The Employee agrees to pay to the Company or the Employer, including through withholding from the Employee's wages or other cash compensation paid to the Employee by the Company and/or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Employee's participation in the Plan that is not satisfied by the means previously described including, without limitation, any Federal Insurance Contributions Act taxes required to be withheld before settlement of the Units for which the Employee does not elect withholding in Common Shares pursuant to the preceding paragraph.

Finally, the Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by the Employee is and remains the Employee's responsibility, regardless of any withholding by the Company or the Employer, and that the Company and the Employer: (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including the grant of the Units, the vesting of the Units, the settlement of the Units, the subsequent sale of any Common Shares acquired pursuant to the Units, or the receipt of any dividends; and (2) do not commit to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Employee's liability for Tax-Related Items. The Company may refuse to issue or deliver the Common Shares, or the proceeds of the sale of Common Shares, if the Employee fails to comply with the Employee's obligations in connection with the Tax-Related Items.

11. Restrictive Covenants.

If, at the Grant Date, the Employee is a Vice President (or equivalent) of the Company or an Affiliated Employer or holds a role above the level of Vice President (or its equivalent), and provided that the Employee's regular place of employment is not in California or Ontario, then in consideration of the grant of this award of Units, the Employee agrees to the restrictive covenants and associated remedies as set forth below, which exist independently of and in addition to any obligation to which the Employee is subject under the terms of any Mastercard LTIP Non-Competition Agreement that the Company requires the Employee to execute in order to be eligible to participate in the Plan:

(a) The Employee agrees for a period of twelve months following the termination of the Employee's employment with the Company or an Affiliated Employer

for any reason, the Employee will not directly or indirectly for him- or herself or any third party: (i) engage, participate or invest in (one percent (1%) ownership or more), own or become employed by or render (whether or not for compensation) any consulting, contractor, advisory or other services to or for the benefit of Visa, American Express, Discover, PayPal, China Union Pay including any of their respective subsidiaries, affiliates and successors AND any other competitor or any third party that the Employee knows intends to be a competitor of Mastercard International Incor

US: Incorporated including any of its subsidiaries and affiliates (collectively, "Mastercard"); (ii) solicit, induce, recruit or otherwise entice away from Mastercard
Center for Inclusive Growth, Inc.
US: Mastercard Technologies, LLC
Belgium: Mastercard Europe SA
Ireland: Mastercard Ireland Limited
Italy: Italy Branch Office any other employee, agent or consultant of Mastercard Europe SA who could damage Mastercard's interests; or (iii) solicit, induce any customer or supplier of Mastercard, or other person engaged in business with Mastercard to terminate, reduce or otherwise modify any commercial arrangement with Mastercard.

Italy: Mastercard Europe SA, Succursale (b) Violation of Restrictive Covenants. If the Employee breaches any of the terms of the restrictive covenants in Italia Section 11(a) above, all unvested Units shall be immediately and irrevocably forfeited. Further, with respect to any Units that vested within twelve months prior to the termination of the Employee's employment with the Company or an Affiliated Employer or at any time after the Employee's termination, the Employee may be required to repay or otherwise reimburse the Company an amount having a value equal to the aggregate fair market value (determined as of the date of vesting) of any Common Shares transferred to the Employee as a result of the vesting of such Units, including by means of forfeiting any Vested Units held during the Deferral Period. This Section 11(b) does not constitute the Company's exclusive remedy for the Employee's violation of the Employee's restrictive covenant obligations, and in the event of a breach or threatened breach by the Employee of any provision of Section 11(a), the Employee agrees that the Company and any applicable Affiliated Employer shall be entitled to an injunction or restraining order to prevent such breach or threatened breach in addition to any other remedies permitted by applicable law.

Singapore: Mastercard Asia Pacific Pte Ltd This Section 11 shall be construed to the maximum extent permitted by applicable law and may be modified as strictly necessary to be legally enforceable as determined by a court of competent jurisdiction ruling on this Agreement. The Company may release the Employee from any and all provisions in this Section 11 by providing written notice of the release.

UAE: Mastercard Middle East Africa FZ-LLC 12. Discretionary Nature of Plan.

United Kingdom: Mastercard UK Management Services Ltd The Employee acknowledges and agrees that the Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of Units under the Plan is a one-time benefit and does not create any contractual or other right to receive a grant of Units, other types of grants under the Plan, or benefits in lieu of such grants in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the number of Units granted and vesting provisions.

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13. Consent to On-Line Grant and Acceptance.

The Employee acknowledges and agrees that, as a term of this grant of Units, any grant, communication, or acceptance of such grant, if applicable, is permitted to be made and processed through the online system operated and maintained for this purpose. The Employee further acknowledges and agrees that execution of any documents through such system shall have the same force and effect as if executed in writing.

14. Section 409A.

The Company intends that payments under this Agreement will either comply with or be exempt from Section 409A of the Internal Revenue Code and the regulations and guidance promulgated thereunder (collectively, "Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from Section 409A or in compliance therewith, as applicable. To the extent the Company determines that this Agreement is subject to Section 409A, but does not conform with the requirements of Section 409A, the Company may at its sole discretion amend or replace the Agreement to cause the Agreement to comply with Section 409A. The Company makes no representation that the Agreement is exempt from or complies with Section 409A and makes no undertaking to preclude Section 409A from applying to the Agreement. The Company will have no liability to the Employee or to any other party if the Agreement that is intended to be exempt from or compliant with Section 409A is not so exempt or compliant or for any action taken by the Company with respect thereto.

15. Governing Law; Jurisdiction and Venue.

The Employee acknowledges and agrees that this Agreement shall be construed and enforced in accordance with the laws of the State of New York without reference to principles of conflict of laws. The Employee further acknowledges and agrees that except to the extent any legal suit, action or proceeding arising out of or relating to this Agreement is subject to a binding arbitration agreement between the Employee and the Company or an Affiliated Employer, any such suit, action or proceeding shall be instituted in a federal or state court in the State of New York, and the Employee waives any objection which the Employee may now or hereafter have to the laying of venue of any such suit, action or proceeding and irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding.

16. Miscellaneous.

(a) All amounts granted under this Agreement shall continue for all purposes to be a part of the general assets of the Company. The Employee's interest in the amount ultimately determined to be earned shall make the Employee only a general, unsecured creditor of the Company.

(b) The parties agree to execute such further instruments and to take such action as may reasonably be necessary to carry out the intent of this Agreement.

(c) Any notice required or permitted hereunder that is not covered by section 13 above, shall be given in writing and shall be deemed effectively given upon delivery to the Employee at the address then on file with the Company or upon delivery to the Company at 2000 Purchase Street, Purchase, New York 10577, Attn: EVP, Total Rewards.

(d) Neither the Plan nor this Agreement nor any provisions under either shall be construed so as to grant the Employee any right to remain in the employ of the Company or an Affiliated Employer. Neither the Plan nor this Agreement shall interfere with the rights of the Company or an Affiliated Employer, as applicable, to terminate the employment of the Employee and/or take any personnel action affecting the Employee without regard to the effect which such action may have upon the Employee as a recipient or prospective recipient of any benefits under the Plan or this Agreement.

The value of the Units granted hereunder is an extraordinary item of compensation outside the scope of the Employee's terms and conditions of employment and/or employment contract, if any. As such, the Units granted hereunder are not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.

(e) The Company reserves the right to impose other requirements on the Units, any Common Shares acquired or payment made pursuant to the Units, and the Employee's participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable. Such requirements may include (but are not limited to) requiring the Employee to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

(f) Notwithstanding any provisions in this Agreement, the Units will be subject to any country-specific terms set forth in an addendum to this Agreement for Participants who work or reside in a country outside the United States ("Addendum"). Moreover, if the Employee relocates to one of the countries included in the Addendum, the terms for such country will apply to him or her, to the extent the Company determines that the application of such terms is necessary or advisable. The Addendum constitutes part of this Agreement.

(g) The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable. Further, upon a determination that any term or other provision of this Agreement is illegal or otherwise incapable of being enforced, such term or other provision shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the illegal or unenforceable term or provision.

(h) This Agreement, along with the incorporated grant statement, an executed Mastercard LTIP Non-Competition Agreement, and any special provisions for the Employee's country of residence or employment, as set forth in the applicable Addendum, constitutes the entire agreement of the parties with respect to the subject matter hereof.

By /s/___________________________

Name:
Title:

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
RULE 13a-14(a)/15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Michael Miebach, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mastercard Incorporated for the three months ended September 30, 2023 March 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 26, 2023 May 1, 2024

By: /s/ Michael Miebach

Michael Miebach
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO
RULE 13a-14(a)/15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Sachin Mehra, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mastercard Incorporated for the three months ended September 30, 2023 March 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 26, 2023 May 1, 2024

By: /s/ Sachin Mehra

Sachin Mehra
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Mastercard Incorporated (the "Company") on Form 10-Q for the three month period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael Miebach, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

October 26, 2023 May 1, 2024

/s/ Michael Miebach

Michael Miebach

President and Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Mastercard Incorporated (the "Company") on Form 10-Q for the three month period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Sachin Mehra, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

October 26, 2023 May 1, 2024

/s/ Sachin Mehra

Sachin Mehra

Chief Financial Officer

EXHIBIT 99.1

Section 13(r) Disclosure

Mastercard Incorporated ("Mastercard") has established a risk-based compliance program designed to prevent us from having business dealings with Iran, as well as other prohibited countries, regions, individuals or entities. This includes obligating issuers and acquirers to screen account holders and merchants, respectively, against the U.S. Office of Foreign Assets Control’s (“OFAC”) sanctions lists, including the List of Specially Designated Nationals (“SDN list”).

We identified through our compliance program that for the period covered by this Report, Mastercard processed transactions resulting from acquirers an acquirer located in the Europe and Eastern Europe/Middle East/Africa regions having each region acquired transactions over our network for an Iranian airline.

OFAC regulations and other legal authorities provide exemptions for certain activities involving dealings with Iran. However, Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 requires us to disclose whether we, or any of our affiliates, have knowingly engaged in certain transactions or dealings involving the Government of Iran or with certain persons or entities found on the SDN list, regardless of whether these dealings constitute a violation of OFAC regulations.

We do not calculate net revenues or net profits associated with specific merchants (our customers' customers). However, we used our fee schedule and the aggregate number and amount of transactions involving the above merchants to estimate the net revenue and net profit we obtained with respect to the period described above. covered by this Report. Both the number of transactions and our estimated net revenue and net profits for this period are de minimis.

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.