



OUR MISSION:

Driving positive change in the payments industry through collaboration and advocacy of merchants' interests. The MAG had many accomplishments in 2016 that directly impacted the payments industry.

THANKS TO YOUR SUPPORT, WE ACCOMPLISHED:

- **Launch of KnowYourPayments.com** – This year MAG created and launched a website and social media tools geared around educating key audiences on payments, including transaction basics, EMV, data security, mobile commerce, e-commerce, and the future of payments.
- Creation of **MAG white paper and policy documents** on Honor All Wallets, as well as an assessment of Regulation II (the Durbin Amendment) five years later.
- Distribution of **survey and overview** on MAG member transaction security best practices.
- **Brand Operational Requests** – We continued efforts with the card networks to address the merchant community's requests for inclusion in decision making, as well as operational items. The networks have been receptive to this process, but continue to caution us on the slow pace of change. We have seen some progress on these requests and expect to continue accelerating our efforts in the near term by meeting with the networks on a more frequent basis.
- **International Collaboration** – We have conducted bi-monthly calls with our international merchant colleagues for over a year. We are participating in the Payments International conference in London, and continue to investigate how we can work more closely with our international counterparts in the future. We feel strongly that merchants need to coordinate efforts on payments across the globe.
- **Focus on Digital and E-Commerce** – The MAG launched a CNP Initiative in 2016 focused on data collection, exploring merchant authentication tools in e-commerce and m-commerce environments, and trying to drive change around the existing card-present/card-not-present paradigm that is no



MAG membership now numbers **107** companies – an increase of **14%** over 2015.



MAG sponsor companies now represent **44** of the **top contributors** in the payment industry.



The MAG conducted **9 educational webinars** complimentary to MAG members and sponsors.



MAG conference attendance is up 26% from 2015.

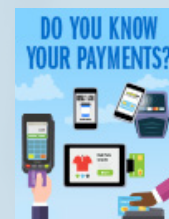


longer black and white in the rapidly evolving digital commerce space. The MAG also released a web-based education tool for merchants to analyze mobile products.

- **Advocacy** – The MAG has accelerated our presence in the media and at various industry events advocating the voice of merchants in payments. We've presented at several forums this year on topics such as EMV, tokenization, routing choice, security, mobile and e-commerce, faster payments, and the overall merchant perspective on payments. The MAG has also more actively engaged with lawmakers and regulators, including the Federal Trade Commission, Federal Reserve Board of Governors, Consumer Financial Protection Bureau, Department of Justice, and several others to advocate for positive changes in the payments ecosystem, and improved application and compliance with existing laws by various transaction stakeholders. Additionally, we have worked closely with international communities to better understand payment market developments and regulatory involvement in other countries, and we have been involved in key industry efforts in the United States, including the Federal Reserve's Faster and Secure Payments Task Forces, the US Payments Forum, W3C, and the X9 CNP effort.
- **Focus on Routing Competition** – The MAG has been extremely focused on ensuring merchants continue to be afforded network routing decisions as required by law. The Federal Reserve recently clarified merchant rights for EMV deployment in a positive development for the merchant community. MAG has also focused efforts on ensuring these existing laws remain intact.
- Continue to provide the member **MAG CyberRisk Hub** to assist MAG members in effectively manage cyber risk.

On behalf of the MAG Staff, we thank you for your dedication and support as we strive to make the payments industry better and stronger.

Mark Horwedel
CEO, Merchant Advisory Group



Successfully launched **KnowYourPayments.com**, a MAG-initiated campaign and online tool designed to empower consumers, merchants and policymakers to drive positive change in payments through multi-stakeholder collaboration.



Conducted **4 educational sessions** focusing on Payments 101, Fraud and Chargeback Management, Payments 201: Wallets, Big Data and Omni-Channel and Mobile Wallets.



Produced **4 quarterly newsletters** filled with timely MAG and payment industry information.



Created and implemented **www.ismobileforyou.com**, mobile commerce tool to help merchants analyze the potential impact of mobile solution deployments on their business.