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as the merchant acquirer for the business, we are eligible to receive one or more of the following: (1) a fee from the card issuing financial institution for running the transaction through the *STAR Network*; (2) a fee from the card issuer for obtaining the authorization; (3) a fee from the business for acquiring the transaction, recognized in the GBS segment; and (4) a network acquirer fee from the business for accessing the *STAR Network*. There are other possible configurations of transactions that result in us receiving multiple fees for a transaction, depending on the role we play.

Our Stored Value Network Solutions provide a range of services to facilitate commercial and digital prepaid transactions, which are similar to debit payments, but the funds used to settle these payments are funded in advance by the account or card holder. Our commercial prepaid offerings are primarily sold to businesses and are comprised of:

- *ValueLink* – Provides card and account issuing, program management, and transaction processing services for a range of prepaid card programs. Our closed-loop prepaid programs include gift, incentive, and rebate cards. We serve over 200 brands globally and several thousand SMBs. Our programs include reloadable and non-reloadable prepaid cards, and may be used with a variety of mobile applications.

- *Money Network* – Provides open-loop electronic payroll distribution solutions that reduce or eliminate an employer's expense associated with traditional paper paychecks and helps employees without bank accounts avoid check cashing fees. The solution also provides important employee security as the funds are stored on the account, not as cash that can be lost or stolen. *Money Network* accounts can be used at any business location that accepts Visa or MasterCard branded cards, includes a packet of checks to be used to pay bills and avoid the cost of money orders, and offers a web portal to track account activity.

- *Gyft* – A leading digital platform that enables consumers to buy, send, manage, and redeem virtual closed-loop cards using mobile devices. The *Gyft* solution, combined with our leadership in prepaid issuing solutions, creates a unique combination to support growth in a rapidly expanding market for virtual cards.

- *Transaction Wireless* – A leading digital platform that enables businesses to sell virtual gift cards online, either to consumers through an integration with their eCommerce storefront, or to other businesses through a proprietary business-to-business solution.

Security Solutions

We provide a range of security, risk, and fraud management solutions that help businesses and financial institutions securely run and grow their business by protecting their data, managing risk, and preventing fraud. Our solutions include *TransArmor*, our encryption, tokenization, and PCI compliance solution for POS data in-transit, *Fraud Predictor Plus*, our solution to detect fraud at the POS through a machine-learning based predictive model, and *TeleCheck*, the industry-leading database of check-writers activity. *TeleCheck* provides check verification, settlement, and guarantee services using our proprietary data-based system. Businesses can use this system to lower the risk of check acceptance or to have all checks guaranteed if approved. Revenues for our security solutions are earned on a licensed basis or per transaction.

Our NSS revenues are primarily derived from network and card processing fees and also include security, risk and fraud management solutions and information services. Network access fees charged to businesses are assessed generally on a per transaction basis.

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