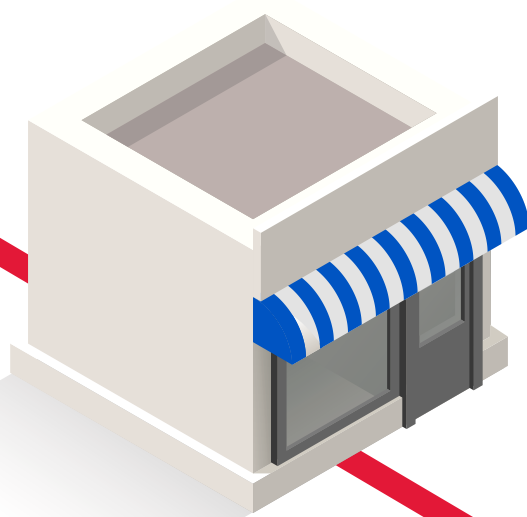


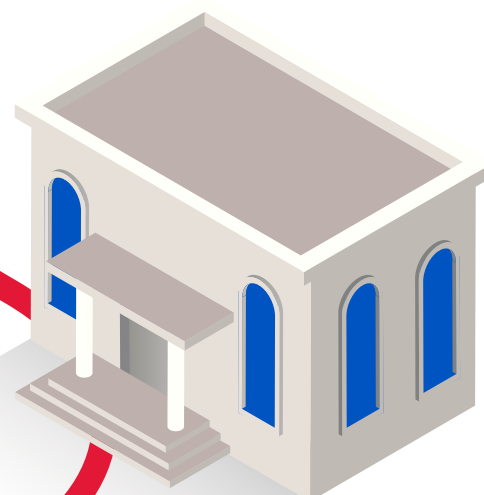
INITIATION

1



The **business** accepts the customer's **payment data**. This could be from a physical card swiped, inserted or tapped at a point-of-sale terminal; a hand-keyed entry in a virtual terminal; use of a mobile wallet; or data saved in the business's e-commerce site.

2

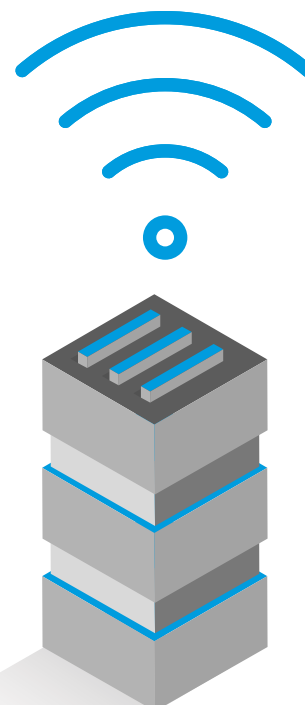


The business electronically transmits payment details to its **payment processor**, which is connected with a financial institution that maintains the merchant services account and processes credit or debit card payments on behalf of a business.

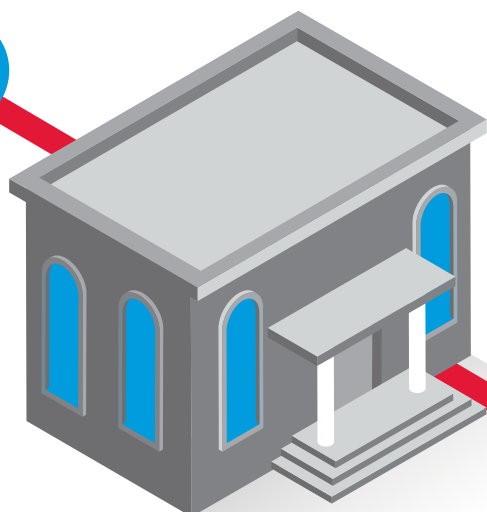
AUTHORIZATION

3

The payment processor passes the request for funds to a **payment network**, such as Visa, Mastercard, Discover or American Express.



4



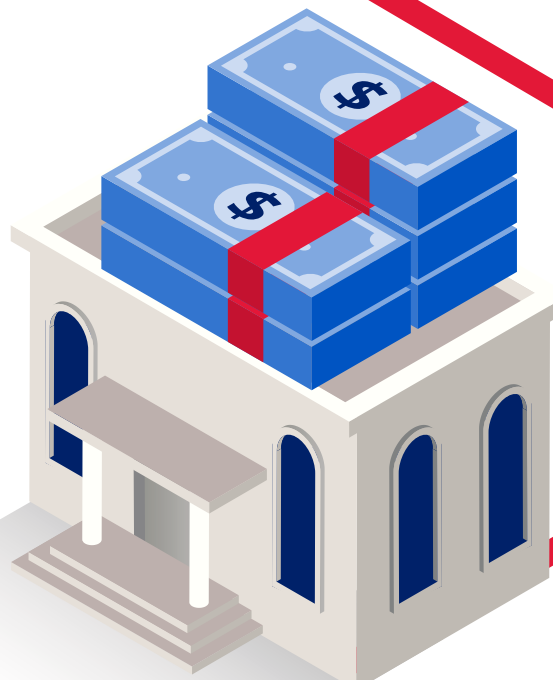
The payment network then contacts the **issuing bank** — the financial institution that issued the payment instrument, such as a credit card, to the customer. The bank confirms (or denies) the availability of funds or credit in the customer's account to cover the transaction.

5

The business receives an **approval or denial** of the transaction.

SETTLEMENT

6



The payment processor deposits funds into the **business's account** for the transactions that were approved that business day and/or weekend. This process typically takes 24 hours.