

A Practical Payments Guide

Transactions

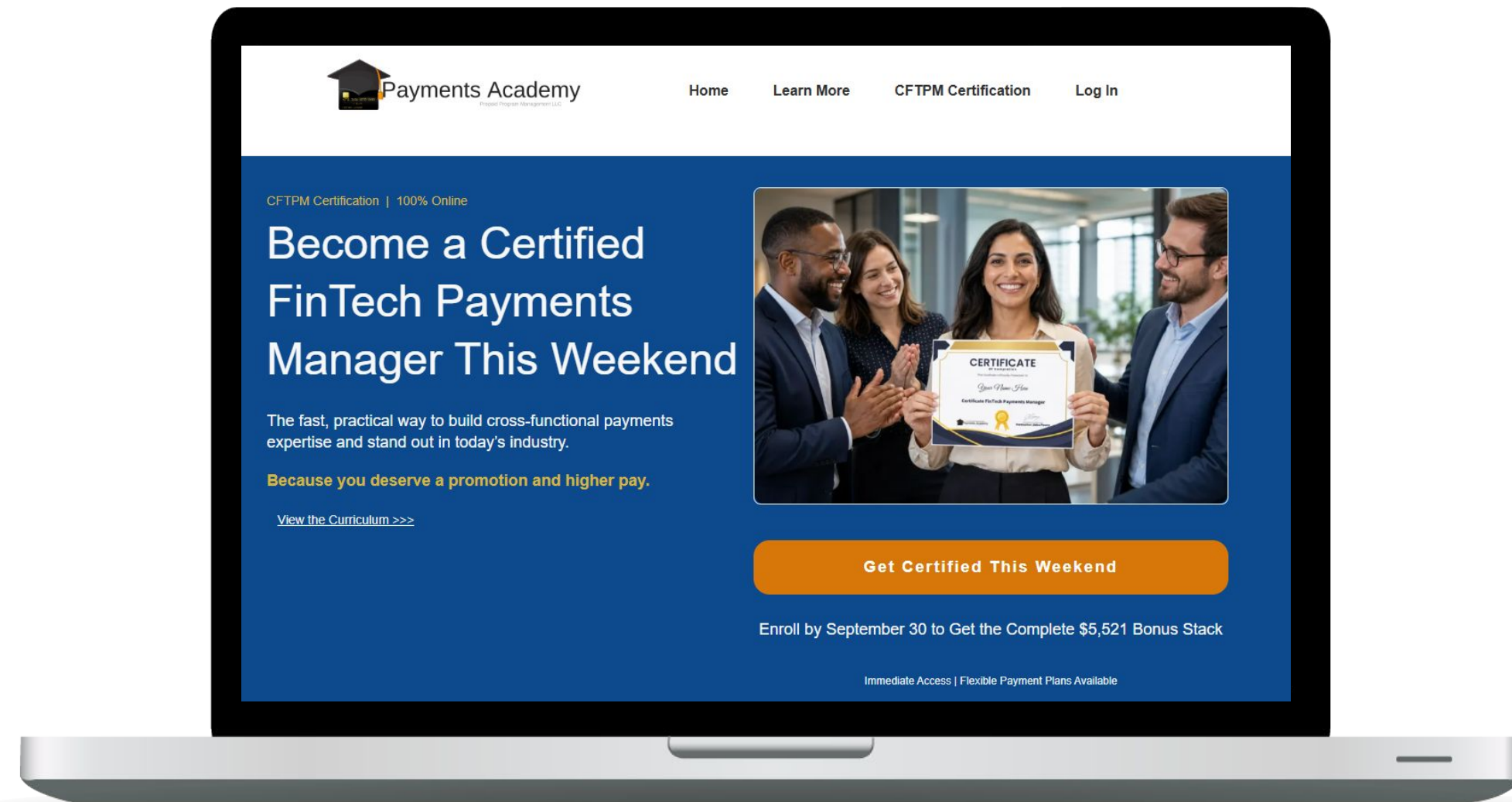


Follow a \$100 Payment

Authorization | Settlement | Revenue | Fees

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Introduction

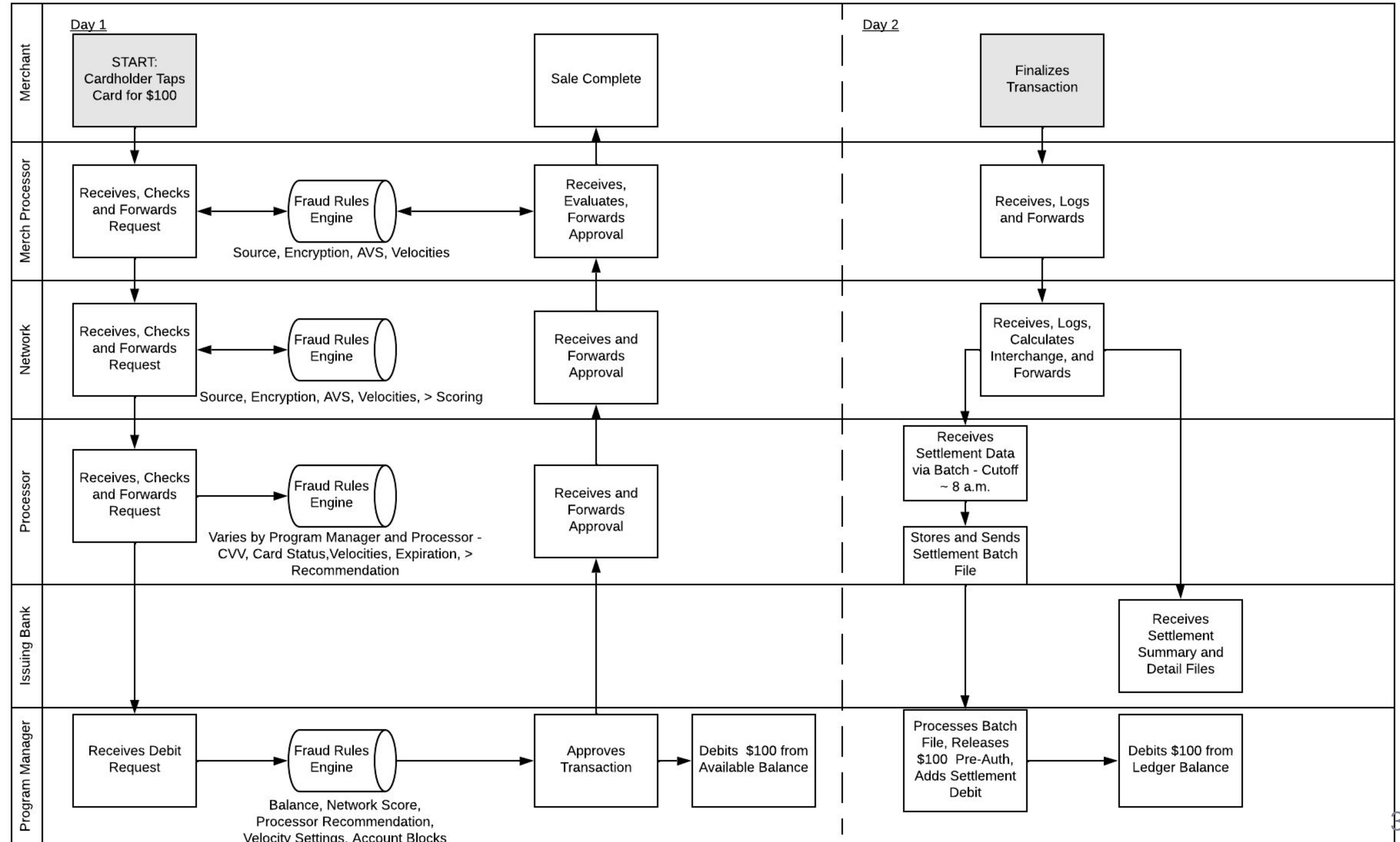


- ✓ CFTPM certification
- ✓ Jake Posey instructor
- ✓ build better Payments Programs
- ✓ build stronger Payments Careers

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Authorization

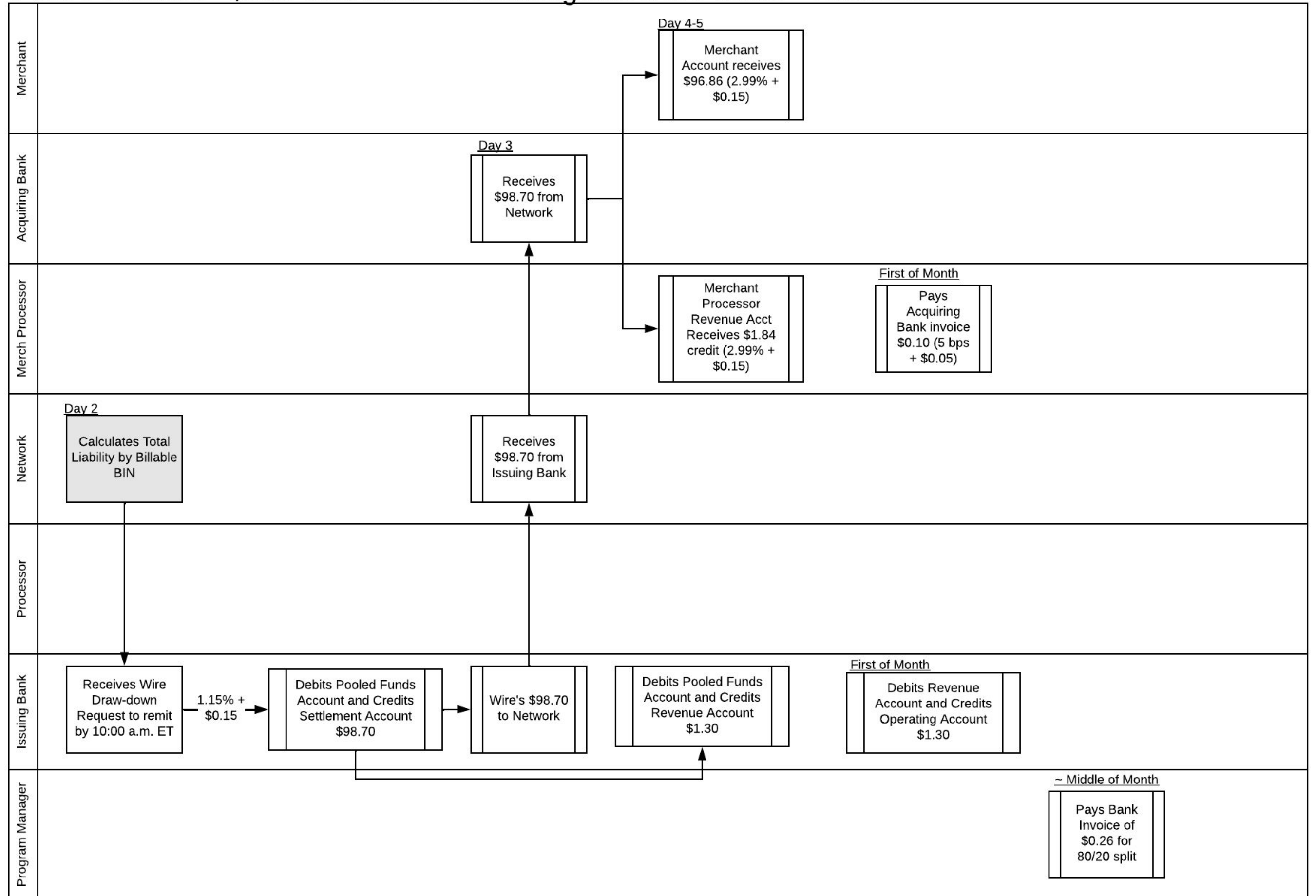
POS Purchase - \$100 Visa Debit at Clothing Store In Person - Technical



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Settlement

POS Purchase - \$100 Visa Debit at Clothing Store In Person - Financial



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Revenue - Merchant Side



Acquiring Bank

Based on Agreement with
Merchant Processor - bps on
Transaction and Transaction Fee



Merchant Processor

Based on Agreements with
Merchant - Percent of
Transaction + Kicker -
Interchange paid to Issuer



Merchant

Based on Agreement with
Merchant Processor - Flat Fee or
Interchange+ plus Kicker



Network

Based on Agreement with
Issuing Bank - Per Transaction
Fee + Monthly and Quarterly
Fees

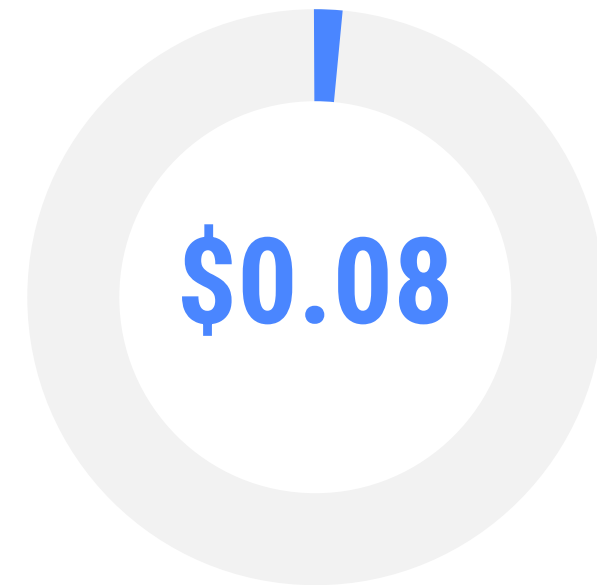
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Revenue - Issuing Side



Issuing Bank

Based on Agreement with
Program Manager - Transaction
Fee + Interchange Split



Issuing Processor

Based on Agreements with
Program Manager - API and
Transaction Fees



Program Manager

Based on Agreement with
Issuing Bank - Interchange +
Kicker



Network

Based on Agreement with
Issuing Bank - Per Transaction
Fees + Monthly and Quarterly
Fees

Revenue - Fees

Net Profit

Merchant – \$96.86

Merchant Processor (\$3.14)

Merchant Processor – \$1.57

Issuing Bank (\$1.30), Acquiring Bank (\$0.10),
Network (\$0.17)

Acquiring Bank – \$0.10

None

Network – \$0.29

None

Issuing Bank – \$0.37

None

Issuing Processor – \$0.08

None

Program Manager – \$0.73

Issuing Bank (\$0.37), Issuing Processor (\$0.08), Network
(\$0.12)

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Next Step - Interchange Skills Certification



- ✓ Focused master class
- ✓ 2 hours
- ✓ deep-dive on Interchange Drivers
- ✓ learn how to Calculate Interchange