How Payments Work

There are multiple players involved in transporting money electronically. Merchant acquirers choose their processor. The merchant's processors then determines which network the transaction will be routed through, and the network determines who is the correct processor for the card issuer. Each business in the chain gets paid for the service it provides in completing the transaction.

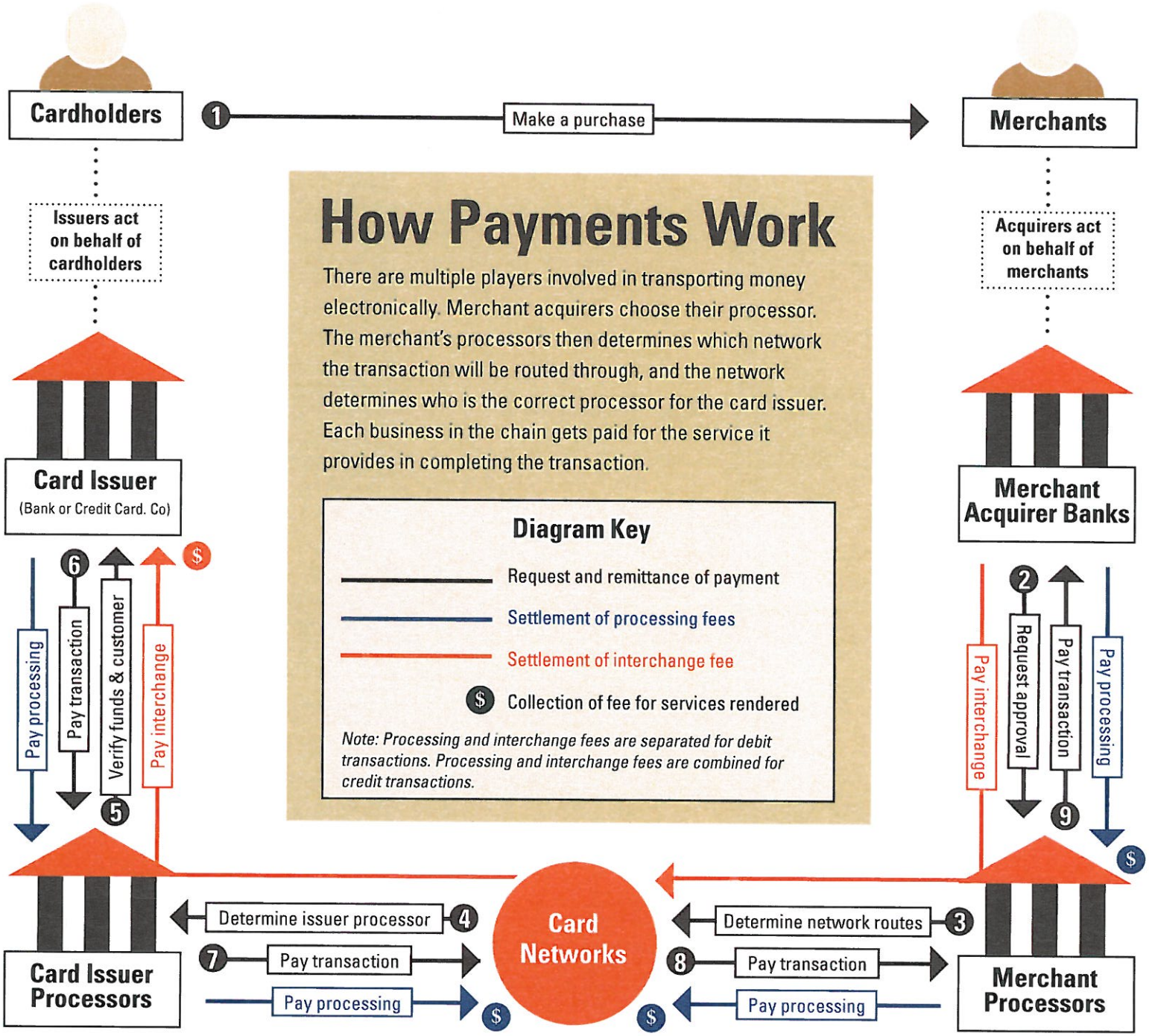

Diagram Key

- Request and remittance of payment
- Settlement of processing fees
- Settlement of interchange fee
- $ Collection of fee for services rendered

Note: Processing and interchange fees are separated for debit transactions. Processing and interchange fees are combined for credit transactions.