FINANCIAL LEARNING CAFE

Banking Academy • K03

Lesson 1 Resource

Meet the payment-processing participants

Processor comparison

Premium lesson companion

Teaching brief • applied vocabulary • guided workbook • knowledge check • answer guide

Name ____

Date ____

LEARN • PREPARE • APPLY

Meet the payment-processing participants

Cardholder, merchant, gateway, processor, acquiring bank, network, and issuing bank each play a role in authorization, clearing, and settlement.

The deeper idea

Authorization is only the first decision in a multi-party system. Clearing, settlement, funding, refund, and dispute processes involve different organizations and time frames.

Learning objectives

- Explain acquirer in the context of meet the payment-processing participants.
- Distinguish issuer from an assumption or promotional summary.
- Show how gateway changes cost, timing, control, responsibility, or risk.
- Complete the processor comparison using traceable source information.

Vocabulary in action

acquirer	Locate it in source material and state what it measures or governs.
issuer	Use it to make the comparison concrete instead of relying on a label.
gateway	Name who carries responsibility, what triggers it, and which control makes it visible.

FIVE-STEP DECISION METHOD

Move from information to a responsible next step.

1. Define the exact question

State the purpose, deadline, and consequence of delay. Connect the question directly to meet the payment-processing participants.

2. Gather governing evidence

Collect current agreements, statements, official disclosures, operating records, or program instructions. Record the source and date.

3. Apply the vocabulary

Locate acquirer, issuer, and gateway in the real document or process. Translate each into a dollar, date, action, control, or responsibility.

4. Test a difficult case

Change one important assumption - timing, volume, cost, income, access, or support - and explain whether the plan still works.

5. Record the decision

Choose proceed, revise, compare, seek qualified review, or stop. Name the next action, its owner, and the review date.

Applied scenario

A learner must make this decision this month. The learner gathers governing records, locates acquirer, issuer, and gateway, and completes the assignment. The decision pauses if the difficult-case test exposes an obligation or operating risk that cannot be managed.

Processor comparison

Draw the path of one card transaction and label what each participant does.

Purpose: What exact decision does meet the payment-processing participants support?

Evidence: Which source documents prove the facts? Include dates.

Terms: Where do acquirer, issuer, and gateway appear, and what does each change?

Stress-test and decision record

Stress test: Which assumption is most fragile, and what happens if it fails?

Decision record: What is the next action, who owns it, and when will it be reviewed?

My recorded status

□ Proceed □ Revise □ Compare □ Seek qualified review □ Stop

KNOWLEDGE CHECK

Confirm your understanding.

1. State the central teaching in your own words.

2. How do acquirer and issuer work together?

3. What evidence is strong enough to use?

4. What would make the plan pause?

5. What belongs in the finished assignment?

ANSWER GUIDE

Compare reasoning, not just wording.

1. State the central teaching in your own words.

Authorization is only the first decision in a multi-party system. Clearing, settlement, funding, refund, and dispute processes involve different organizations and time frames.

2. How do acquirer and issuer work together?

Define each, locate both in source material, and explain their combined effect on the decision.

3. What evidence is strong enough to use?

Current, relevant, traceable information from an agreement, statement, official source, operating record, or qualified professional.

4. What would make the plan pause?

A missing governing fact, unsupported claim, unmanageable stress case, or inability to explain the responsibility attached to gateway.

5. What belongs in the finished assignment?

Purpose, sources, term definitions, comparison or calculation, difficult-case result, unanswered questions, responsible owner, and review date.

Education-only boundary

This resource provides general education. It does not submit applications, negotiate with providers, handle customer funds, promise outcomes, or replace individualized guidance from an appropriately qualified professional.