THE ANATOMY OF A TRANSACTION

1. Cardholder submits MasterCard account to merchant
2. Merchant's bank asks MasterCard to determine cardholder's bank
3. MasterCard authorization system validates card security features and approves sending to cardholder's bank for purchase approval
4. Cardholder completes purchase and receives receipt
5. Merchant's bank sends purchase information to MasterCard network
6. MasterCard clears information and approves sending to cardholder's bank for purchase approval
7. Merchant's bank sends approval to merchant
8. MasterCard sends approval to merchant's bank
9. Cardholder's bank approves purchase

CLEARING

1. Merchant's bank sends purchase information to MasterCard network
2. MasterCard clearing system validates information and approves sending purchase information to cardholder's bank, which prepares data for cardholder's statement
3. MasterCard clearing system provides comprehensive reconciliation to both the merchant's bank and to the cardholder's bank

SETTLEMENT

1. Merchant's bank sends clearing data to MasterCard
2. MasterCard calculates net settlement position and sends advice to merchant's bank and cardholder's bank and Transfer Funds Order to settlement bank
3. Settlement bank facilitates exchange of funds to guarantee payment to merchant's bank
4. Cardholder's bank sends payment to settlement bank
5. Merchant's bank pays merchant for cardholder's purchase
6. Cardholder's bank bills cardholder for purchases

THE MASTERCARD WORLDWIDE NETWORK

Unrivaled Integration
Connects more than 23,000 financial institutions and 30 million acceptance locations in over 210 countries through the industry's only globally integrated processing network

Unequaled Intelligence
Balances the speed and reliability of distributed processing with the availability and agility of centralization to dynamically adapt processing for each transaction

Unmatched Scalability
Extends bandwidth on demand and open-standards technology to customize processing for any payment transaction, channel or market

Unsurpassed Reliability
Leverages tri-dundant routing and multi-site processing to achieve an award-winning 99.9% global availability

Unparalleled Speed
Drives a network response time that's more than twice as fast as other networks, averaging 140 milliseconds per transaction, to process over 22 billion MasterCard-branded transactions per year