Cardinity Payment Processor

Cardinity is a licensed payment institution registered on Visa and MasterCard networks. We offer our card payment solution, specifically a payment gateway and a merchant account, to various businesses selling products or services online. Our clients are companies and sole proprietors registered in the European Union/European Economic Area.
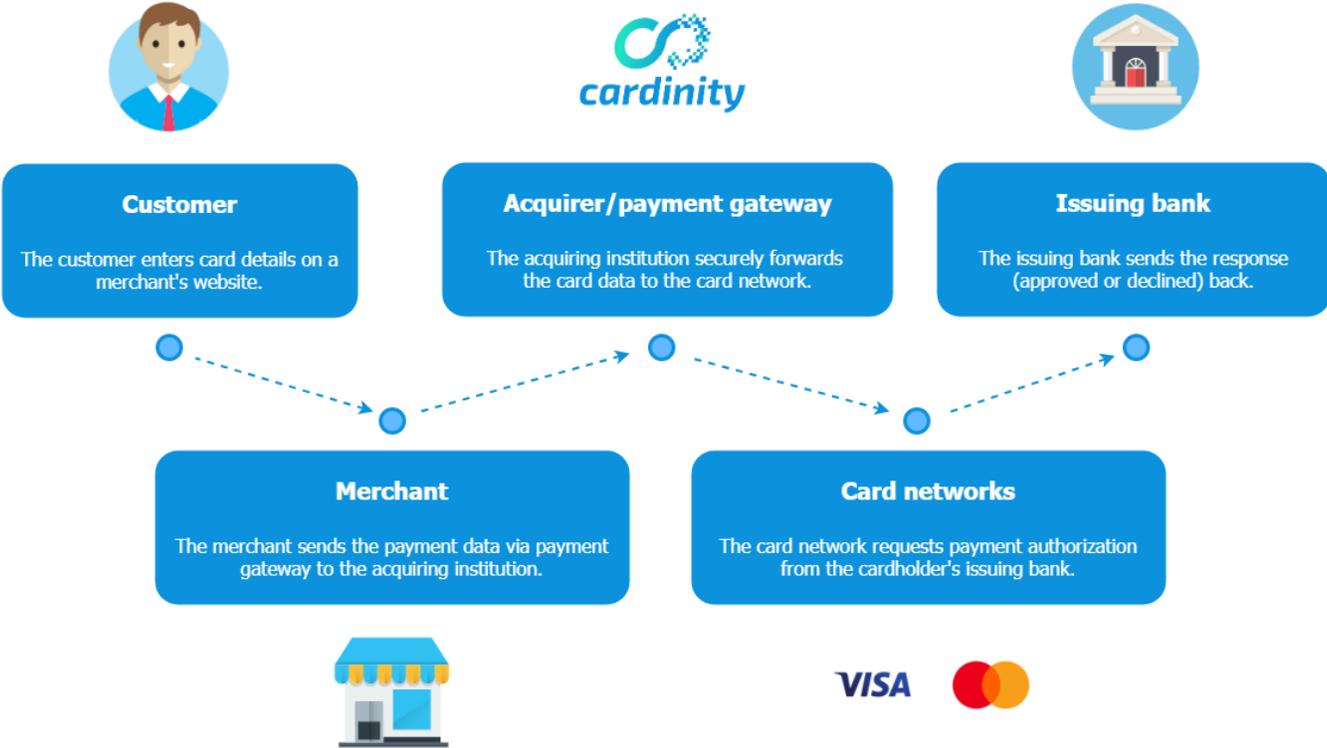
What does the payment flow look like?

In order to accept payments from customers, an online shop needs a payment processor. A payment processor facilitates the transfer of payments between a customer's credit/debit card issuing bank and the seller's acquiring bank.

There are 4 main players involved in a card transaction:

1. Merchant, i.e. the owner of the website where customers can pay with a credit/debit card.
2. Cardholder, i.e. the customer who uses their credit or debit card to pay on the merchant's website.
3. Acquiring bank, i.e. a financial institution which accepts card payments from customers' issuing banks on behalf of the merchant.
4. Issuing bank, i.e. a financial institution which issues credit and debit cards to consumers on behalf of card networks (e.g. Visa and MasterCard).

In order to make a card transaction possible, the merchant needs a payment gateway.

CARD PROCESSING SCHEME

cardinity

Customer

The customer enters card details on a merchant's website.

Acquirer/payment gateway

The acquiring institution securely forwards the card data to the card network.

Issuing bank

The issuing bank sends the response (approved or declined) back.

Merchant

The merchant sends the payment data via payment gateway to the acquiring institution.

Card networks

The card network requests payment authorization from the cardholder's issuing bank.

VISA

What is a payment gateway?

A payment gateway functions as a POS terminal but a virtual one. In brief, it is a solution for transferring transaction data to the payment processor which forwards it to a cardholder's issuing bank and receiving a response (authorization approved or declined). More information can be found on a separate page dedicated to a payment gateway.

Cardinity facilitates the following processes:

1. Card authorization. Cardinity sends the customer's card data to the card networks and the issuing bank for authorization. The card issuing bank either approves or declines the transaction and forwards the response to Cardinity.

2. Clearance. After Cardinity sends the transaction information to the card networks, the card networks validate the information and start the movement of funds from the cardholder to the acquirer.

3. Settlement. Cardinity receives funds from the cardholder's issuing bank and transfers the funds to the merchant.

For more information, please visit our website https://cardinity.com