

3-D Secure 3DS / 3DS2

The issuer verifying its own customer mid-checkout (OTP, biometric). Pass the challenge and fraud liability shifts to the issuer. [Card security](#) →

ACH Automated Clearing House

The US batch transfer system — files processed in scheduled windows, flat fees in cents, reversible for ~2 banking days. Payroll, rent, and subscriptions live here.

Acquirer acquiring bank

The bank that sponsors a merchant into the card network, settles its funds, and eats the loss if the merchant vanishes owing refunds. [Players](#) →

APP scam authorized push payment

Fraud where the victim is tricked into sending money themselves on an instant rail — no chargeback to save them. The UK now mandates bank reimbursement for most cases.

Assessment network fee

The card network's cut (~0.13–0.14% per side in the US). Tiny percentage, planetary volume — Visa and Mastercard's core revenue.

Authorization auth

The first phase of a card payment: a yes/no question to the issuer with a hold placed on funds. No money moves. [The \\$100 journey](#) →

BIN bank identification number

The first 6–8 digits of a card number, identifying the issuer. 'BIN attacks' brute-force the remaining digits to find live cards.

BNPL buy now pay later

Splitting a purchase into installments, usually interest-free for the buyer — the merchant pays 2–8% for higher conversion and bigger baskets.

Chargeback dispute

The card system's undo button: the issuer claws back a payment from the merchant on the cardholder's behalf, up to ~120 days later. [Chargebacks](#) →

Clearing

The exchange of final transaction records between banks ('make it real'), after authorization and before settlement.

CNP card-not-present

Any transaction where the physical card can't be inspected — online, phone, mail. Roughly 3× the fraud rate of in-person, priced accordingly.

Correspondent bank

A bank that executes payments in markets where your bank has no presence — the connecting flight of cross-border money. [Cross-border](#) →

Cryptogram

A one-time cryptographic proof generated per transaction by a chip or phone, making replayed card data useless.

DCC dynamic currency conversion

The "pay in your home currency?" offer abroad — a 3–8% FX markup disguised as convenience. Always pay in local currency. [FX & DCC](#) →

DPAN device PAN / network token

The device-specific token stored in your phone's wallet instead of the real card number. [Wallets](#) →

Durbin Amendment Reg II

2010 US law capping big-bank debit interchange at 21¢ + 0.05% (+1¢ fraud adjustment). Shifted billions from banks to merchants — and is still being fought in court.

EMV chip cards

The global chip standard (Europay-Mastercard-Visa). The US adopted it via a 2015 liability shift, not a law: keep swiping, you eat the counterfeit fraud.

FedNow

The US Federal Reserve's instant payment rail, live July 2023, 1,400+ participating institutions. Competes with the private RTP network. [Instant rails](#) →

Fedwire

The Fed's RTGS system for high-value wires: instant, final, irrevocable, settled in central-bank money.

FX margin spread

The gap between the exchange rate you're given and the mid-market rate. The biggest hidden fee in cross-border payments.

Gateway payment gateway

The secure front door for online payments: encrypts and tokenizes card data at checkout. Moves messages, not money. [Players](#) →

Interchange

The fee paid by the merchant's side to the cardholder's bank on every card transaction — set by networks, received by issuers, fought over by everyone. [Interchange](#) →

ISO / MSP independent sales organization

Resellers who sign up merchants for acquirers and earn trailing residuals on every transaction, forever.

ISO 8583

The venerable message format underlying most card authorizations worldwide — the grammar that terminals and issuers speak.

Issuer issuing bank

The cardholder's bank: approves transactions, takes the credit risk, receives interchange, funds your rewards.

KYC / AML know your customer / anti-money laundering

The compliance machinery verifying who's transacting and screening against sanctions — the reason onboarding takes longer than the payment.

MCC merchant category code

A 4-digit code classifying what a merchant sells. Quietly determines interchange rates, rewards eligibility, and what gets blocked.

MDR merchant discount rate

The total fee a merchant pays to accept a payment — interchange + assessments + acquirer markup, blended. ₹0 on UPI P2M in India by mandate.

Mid-market rate interbank rate

The 'real' exchange rate between two currencies — the midpoint of buy/sell. Compare every FX quote against it.

Nostro / Vostro

Mirror accounts banks hold with each other across borders ('ours' / 'yours' in Italian). Cross-border payments are ledger updates on these — money never crosses. [Cross-border](#) →

NPCI National Payments Corporation of India

The non-profit utility that runs UPI, RuPay, and India's retail rails — proof that payment infrastructure can be public-good-shaped.

On/off-ramp

The bridges between local money and a new rail (stablecoins especially). The crossing is cheap — the ramps, with their licenses and FX, are where cost and competition live.

PAN primary account number

The 15–16 digit card number. Radioactive: any system touching it falls under PCI-DSS. [Card security →](#)

PayFac payment facilitator

A master merchant that onboards sub-merchants in minutes and keeps the blended spread — the Stripe/Square model. [Players →](#)

PCI-DSS

The card industry's security standard for anyone touching card data. Heavy enough that avoiding its scope (via tokenization) is a product in itself.

Pix

Brazil's instant payment system (2020): ~8 billion transactions/month, free for individuals, run by the central bank. [Instant rails →](#)

Processor

The plumbing that switches authorization messages and settlement files between parties, earning fractions of a cent at massive scale.

Representation fighting a chargeback

The merchant's evidence package re-presenting a disputed transaction: delivery proof, IP logs, receipts. [Chargebacks →](#)

RTGS real-time gross settlement

Settling payments one-by-one, instantly and irrevocably, in central-bank money — Fedwire, TARGET2, India's RTGS. The most final money there is.

RTP Real-Time Payments network

The Clearing House's private US instant rail (2017) — carries ~98% of US instant payment volume.

SEPA Instant SCT Inst

Europe's 10-second euro transfers — mandatory for EU banks to receive (Jan 2025) and send (Oct 2025), priced the same as normal transfers.

Settlement

The actual movement of money between banks — the last phase, where interchange gets deducted. [The \\$100 journey →](#)

Stablecoin

A token pegged 1:1 to a currency, backed by cash and T-bills held by the issuer — who keeps the interest. A bearer money-market fund on always-open rails. [Stablecoins →](#)

SWIFT

The global bank messaging network (11,000+ institutions). Moves zero money — only instructions. [Cross-border →](#)

Tokenization

Swapping a real card number for a context-limited stand-in, so merchants store claim tickets instead of secrets.

TSP token service provider

The entity (usually the card network) that mints and manages network tokens, mapping them back to real PANs in its vault.

UPI Unified Payments Interface

India's instant rail (2016): 23+ billion transactions a month, ₹0 merchant fees by mandate, run by NPCI. The world's largest real-time system.

[Instant rails →](#)

Wire bank wire

A high-value RTGS transfer: instant, final, no undo. You pay (~\$25 in the US) for certainty.