E-PROFiX
acquirer

Features and Benefits

E-PROFiX ACQUIRER is an application suite built on top of our x2x clearing files processing engine for complex reconciliation and financial analysis of MasterCard and VISA acquiring. It reports the expected and factual profitability, upon receiving the settlement from the bankcard networks, on the regular per-merchant basis.

- **Interchange** controls and reconciliation of clearing fees, network assessment costs calculation

- **Net PROFIT** controls per merchant contract, collected merchant discount and service fees less reimbursement and network assessment, POS costs, credits, risk collaterals, money transfer and similar costs and charges

CHIP-N-STRIPE offers its E-PROFIX technology as a method of building the comprehensive acquirer in-house data mining procedures or proposes the outsourced data analysis services offered by our subsidiary, PROFIX MANAGEMENT secured datacenter in Brussels.

As a measure of the additional assurance and the PA/PCI-DSS compliance, for in-house use the system may be delivered in both, open source and pre-compiled modes, of the client choice of the license type.

System Requirements

- Linux, Windows or Solaris OS platforms
- Java and Apache web-server
- Oracle, MS-SQL, Informix, MySQL DBMS platforms

Profitability Services

E-PROFiX ACQUIRER is built to make the acquirer Profitability Control and Guidance procedures on the way to avoid financial losses through errors in

- Transaction capture process
- Make of the presentment clearing records
- Clearing Networks (MasterCard and Visa) central setups

E-PROFiX ACQUIRER framework, apart of its FUNDAMENTAL PROCEDURES library, is not a fully packaged product as almost every acquirer has its own specific control procedures. That is the reason why chip-n-stripe is trying to works closely with the end-user team to build, execute and maintain the personalized guideline to analyze the merchant performance portfolio and trends.

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rescue services 4 bankcard systems

~ FOCUS ON PROFITABILITY ~

It is widely known that Merchants pay "merchant discount" to their Acquirers. Merchant discount includes interchange fees, association dues, assessments to Visa and MasterCard network and services, brand fees, profit for the merchant service provider and a few other things. In fact, Merchant Discount is a term to refer to the collective fees that a merchant pays to process a bank-card transaction, often a percentage rate per transaction.

As soon as merchant discount is contractually fixed, it becomes a headache of the acquirer not to overpay to Visa or MasterCard issuers. It mostly means

- To present the transactions for clearing with the most discounted IRF. Once upon a time there were only a few interchange tiers, but they've since grown to round a couple of hundred – that's why the related chip-n-stripe application called **IRDoptima** is widely used

- To report the expected and factual profitability, upon receiving the settlement from the bankcard networks, on the regular per-merchant basis. Reporting the financial activities of the business is very important to maintaining control, otherwise the task of measuring the performance and profitability of the acquirer operation effectively is very difficult – that's why chip-n-stripe has developed and is promoting its **E-PROFIX ACQUIRER** package

~ FUNDAMENTAL PROCEDURES ~

Thanks to our **x2x converters** family, it is easy to analyze the complete acquirer traffic. The essential information for reimbursement and other fee calculations, taken from the outgoing clearing files, goes to the database tables, to be enriched by assigning the card product characteristics[1] and merchant discount rates. As soon as the incoming acknowledgement file arrives from the clearing network[2], related x2x converter sends these data to the database to compare with the group totals made for the outgoing flow.

'Other fees' are collected differently from various sources: MCBS generated reports, VSS–140 (Visa Charges) Report plus operational rules and regulations for each concerned territory.

The comparison results are published via the web-based interface, to allow controls of the daily totals and aggregated monthly figures, per IRF tier, terminal and merchant
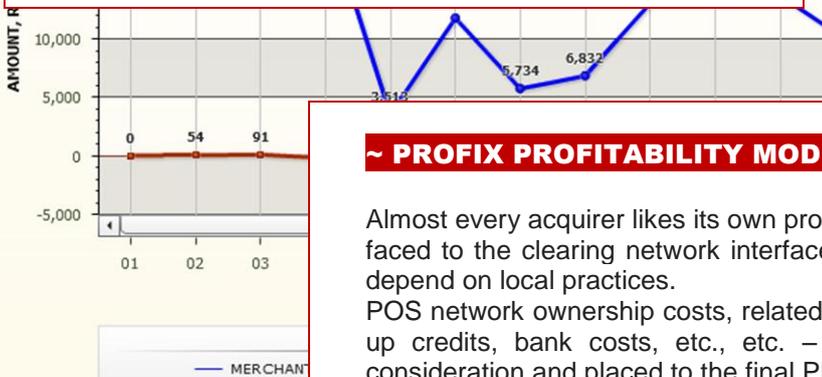
~ PROFIX PROFITABILITY MODEL ~

Almost every acquirer likes its own profitability model. Having nearly no difference faced to the clearing network interfaces and calculations, local costs very much depend on local practices.

POS network ownership costs, related marketing discounts, risk collaterals, start-up credits, bank costs, etc., etc. – all these aspects should be taken into consideration and placed to the final PROFIX PROFITABILITY MODEL

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[1] MasterCard MPE or Visa ARDEF/BIN tables
[2] The Financial Position Detail/1644 messages produced by GCMS
   and machine-readable
   VSS reports in a form of TC 46 records with the Report Group "V"