

Reconciliation and Settlement

Reconciliation and Reporting

The reconciliation process for APMs is time-triggered and takes place on a daily basis, usually Monday through Friday. This process is typically scheduled at the end of day of the APM provider. Verifone receives a report for the previous 24 hours of transactions and reconciles those transaction records against data from the APM platform. This reconciliation process is automated and triggers the settlement process for that day's transactions.

WeChat Pay and Alipay reconciliation cycles cut-off at midnight and 2am Beijing time (CST/China Standard time), respectively. Due to this timing, our merchants may have transactions that are split over 2 days of settlement. As an example, a merchant in the UK, will see WeChat Pay transaction reconciliation and settlement for that day for transactions that occurred before 5pm. Transactions made later in the day (after WeChat Pay cut-off time) will appear in the next day's report.

Klarna transactions cut-off midnight Stockholm time (CET/ Central European Time).

Paypal & Venmo transaction cut off time is 12:00 AM PST

Once the cut-off time is met, APM providers will create a detailed transaction report including all approved transactions and a total transaction summary. This data will be uploaded into the APM service. The APM service will then reconcile the information against transactions recorded in our systems. Each individual transaction will be marked in our Database as either "open" or "reconciled" or "unmatched".

Settlement

For global APMs, Verifone will participate in the money flow. Once the reconciliation and reporting process is completed, the Verifone's APM service will generate settlement instructions to fund Verifone acquired APM merchants. Funds are obtained from the APM schemes, which collect funds from consumers, and then settle those funds into a Verifone bank account.

Settlement instructions contain aggregate information on the total amount of all APM transactions to be paid out to each merchant. The banking partner will process settlement instructions for APMs (and match it to any card payouts due to that same merchant where card acquiring is involved)

Merchants will receive a settlement report as well as a transaction log where they can see a breakdown of the transaction amount, transaction fees collected by Verifone and the final settlement amount at a transaction level.

Successful/authorized transactions will go through a reconciliation and reporting process. Verifone's APM service reconciles transaction information received from the APM scheme against transaction information Verifone has on record for successful sales and refunds. After reconciliation, Verifone issues reports to merchants. Verifone provides 2 different APM reports for merchants:

- Daily transaction log: Provides detailed information at a transaction level
- Settlement report: Details the funds settled to the merchant's account