

## 1: Payment Systems in Japan: Business & Management Book Chapter | IGI Global

*United States CPSS - Red Book - Introduction The development of the payment system in the United States has been influenced by many diverse.*

Most personal payments involve the exchange of cash. Although money, in the form of coin and currency, has served as the medium of payment for millennia, and continues to serve that purpose in most personal transactions, it has severe limitations: One of the primary purposes of banks is to provide a payment system. Banks solve payment problems by providing checking services and electronic funds transfers EFTs. There are 2 fundamental processes to both checks and electronic funds transfers: Accounts are nothing more than electronic records. In the case of paper checks, the accounts are updated by an operator working at a computer terminal, or read by optical character recognition software. In the case of electronic funds transfers, the updating of accounts is entirely electronic, which is why it is faster and cheaper to pay using electronic funds transfers. To facilitate the transference, each bank is assigned a unique routing number aka routing transit number, ABA number , which is a number assigned by the American Bankers Association to a bank that uniquely identifies it in the same way that a social security number uniquely identifies an individual. Checks Because checks are paper documents, there are more steps in completing a check-based transaction. Only then is the payment final. Typically, the payee deposits or cashes the check at her bank. The clearinghouse offers clearing and settlement services to its members, who are the participating banks. However, the transaction at this stage is only provisional, since the payer may not have sufficient funds to cover the transaction. Historically, canceled checks were usually returned to the payer to give the payer a proof of payment. Nowadays, banks only provide electronic images of the checks, if the check writer requests it. Not every transaction uses a clearinghouse. In October 28, , the Check Clearing for the 21st Century Act, also known as Check 21, was enacted that gave banks the authority to save only the image of the front and back of the check and to transmit the image to clearinghouses and other banks instead of the paper check. Check 21 gives these substitute checks the same legal proof of payment as paper checks. EFTs do not require clearinghouses because the routing information is contained in the electronic message. EFTs require a secure network and operating standards. There are various EFT networks, but the most common type of EFT is the automated clearinghouse transaction ACH , which many businesses and people use to pay recurring bills. The ACH Network is operated by the Federal Reserve and the Electronic Payments Networks, and most banks use this network in the same way that they used clearinghouses to exchange payment information. The customer then signs and gets a receipt. This saves the retailer the cost and risk of transporting paper checks. Another EFT network is Fedwire, which is operated by the Federal Reserve, and is used transfer large sums of money, mostly between banks and other large institutional customers. The Federal Reserve consists of 12 district banks in different areas of the country. Most of the banks in the area have accounts at the local Federal Reserve. The number of noncash payments checks and electronic payments has increased steadily throughout the world over the years. However, the proportion of payments as checks is continually decreasing, while electronic payments, in the form of debit, credit, and stored value cards, and ACH transactions, are continually increasing, both in absolute amounts and as a percentage of all payments, a trend that will continue. Debit, Credit, and Stored-Value Cards A common method of payment is through the use of debit and credit cards or stored-value cards aka gift cards, prepaid cards, smart cards. All transactions involving cards require an electronic payment network. However, the payer for a credit card is the issuing bank, since the payment is a loan by the issuer to the credit card holder that is paid directly to the payee. Another type of electronic payment is the stored-value card, where money, as account information, is stored on a card. Gift cards are the most common type of stored-value card. Prepaid cards, such as those issued by VISA, is also becoming more common. Stored-value cards allow customers with poor or no credit and no bank account to pay electronically. However, the stored-value card still uses a bank account that of the bank itself. When you pay to have money loaded onto a stored-value card, what is actually loaded is the account information that has been set up just for the card. Because of the way this works, a stored-value card can be canceled just like a

debit or credit card if it is lost or stolen. E-Money An increasing amount of retail business is being conducted over the Internet, but there are 2 deficiencies in the payment systems provided by banks that reduce the value of their services to many Internet merchants. The first is that the current EFT system does not provide a way for a person to send money to another person or to send it to a business that does not have a merchant account that would allow it to accept credit and debit cards. The other drawback to using payment services with the cards is that the banks issuing the cards charges the merchants a significant fee for each transaction, so cards are not a good way to sell items for a few cents, or even less than a penny – so-called micropayments. Because of these deficiencies, there have been numerous businesses that have sprung up to provide payment services to satisfy these needs. Some have called these special services e-money, because purchases can be made over the Internet, but they differ from credit and debit cards, and other types of electronic payments provided by banks. PayPal is probably the most successful business that allows people to send money to other people or to merchants without a merchant account with a bank. The way PayPal usually works requires that the payer and payee both have accounts at PayPal. Each account is designated with an email address. So if a person wanted to send money to another person, the payer only needs the email address of the payee, then the payer sends payment instructions to PayPal that includes the amount of the payment and the email address of the payee. There is no fee to make payments, but there are fees associated with receiving payments, which makes PayPal unsuitable for micropayments. As it stands now, there are no prominent companies offering micropayments that are widely accepted, although cryptocurrencies, such as Bitcoin, are starting to be used as such. However, advancing technology should decrease the cost of using the traditional payment networks, including debit and credit cards, which would obviate the need for a special micropayment network or for cryptocurrencies. Bitcoins and Cryptocurrencies Will Never Be Major Currencies Another form of payment receiving media attention recently is through the use of bitcoins or other cryptocurrencies. Some of the main advantages advanced for bitcoin are that: If the United States dollar or the euro was made entirely electronic, then those currencies can be subdivided indefinitely to allow for micro-payments. Most fiat currencies have a lower limit for value because they are represented by coins and paper currency, which cost money to produce. Indeed, the US penny and nickel cost more to produce than their represented value. On the other hand, the value of electronic money can be reduced, virtually without limit, to form smaller payments. That transaction costs for bitcoins are usually lower than using other electronic payment systems, such as credit cards or debit cards, is also artificial, since transaction costs are generally set by banks and other payment service providers, such as MasterCard and Visa, who are reluctant to lower prices that constitute a major source of profit. The transaction costs for current methods of payment could be much lower, but the lack of competition and government control has kept these transaction costs higher. When money becomes entirely electronic and the government institutes reforms to take advantage of electronic payments – which I believe is inevitable – then all the advantages of electronic payment, such as enabling micro-payments and lowering the cost of transactions, will become available to that currency. That the supply of bitcoin is limited is actually a major disadvantage, since the value of bitcoin varies widely over short spans of time because supply cannot be increased or decreased to meet changing demand. The problem with bitcoin and other cryptocurrencies, or for that matter, any other means of payment, such as gold, where the supply cannot be controlled, is that it cannot satisfy the the primary functions of money, as a unit of exchange, as a unit of account and as a store of value. Although cryptocurrencies can be used as a unit of exchange, it is very risky to do so. Imagine if Walmart or Amazon. What would happen to these companies – or any other company – if the value of Bitcoin suddenly dropped to half its value or more, as it has already done? The pay rate for employees would have to change every single week and prices paid to suppliers, likewise. This would be a managerial nightmare! It cannot serve as a unit of account, because the variation in its value, even within a short time, makes its exchange value for goods and services unpredictable; price comparisons would be impossible because these cryptocurrencies vary in value by the minute, so any prices that you would see may be stale prices, reflecting the value that Bitcoin had at an earlier time. Likewise, it cannot serve as a store of value, since it can lose value very quickly, as has already occurred several times with bitcoin and many times with gold. Additionally, using methods common in business and investments, such as calculating present value or future value of

projects or investments or even calculating many forms of financial risk, becomes almost impossible. Calculating present value or future value is only meaningful if the value of the currency is stable. Even though most currencies decrease in value because of inflation, inflation is usually low and predictable, so it is easier to account for inflation. Hence, in my opinion, bitcoin or any other types of money where the supply cannot be controlled will never serve as a major currency, or even as a co-currency. Instead, bitcoin will remain as it is, a novelty currency that can be used as a medium of exchange for those businesses or individuals who are willing to assume the risk of a widely fluctuating currency, or to profit from speculation, where profits are contingent on the greater fool theory. Because the intrinsic value of Bitcoin and other cryptocurrencies is 0, that is the price that I believe it will fall to, eventually, although it may take many years, possibly until and beyond. I think another factor propping up the prices of cryptocurrencies far beyond their intrinsic value is micro-demand. Because cryptocurrencies can be subdivided into ever smaller amounts, I believe many people are getting these small amounts to experiment with these novel currencies. When the demand for these micro-amounts are totaled over the entire global population, the result is significant demand. Eventually, people will realize that cryptocurrencies really offer no added value over traditional forms of electronic payments, nor are they spendable at most places, so, it is still my prediction that the value of all cryptocurrencies will drop to their intrinsic value of 0. Blockchain, of course, has great promise, but this is used only to record transactions. Although Bitcoin and other cryptocurrencies depend on blockchain, blockchain does not depend on the cryptocurrencies. Future of Money Soon there will be many more ways of payment. For instance, in Asia and Europe, people can pay using their cell phones by waving the phones in front of special electronic readers, which transfers banking account information. However, these forms of payment are just special forms of the EFT payment system described above. Financial transactions are increasingly becoming electronic, since there are tremendous savings in both time and money in settling transactions electronically. The advantages of electronic money are that it is much less apt to be lost or stolen and it will become more convenient as the technology improves. The big disadvantage is that there is no privacy. Where you go and what you spend money on will be listed in databases on some network. Money in the form of coin and currency may disappear entirely when the means of payment becomes totally electronic. However, the units of money will still be needed as a unit of account so that the prices of goods and services can be quoted.

## 2: US PAYMENT SYSTEMS | FINANCIAL AND MERCHANT SERVICES

*This book is a pretty straightforward analysis of different American payment systems, but if, like me, you've found yourself mystified by the actual plumbing of checks, ACH payments, credit card interchange, and so on, this book will explain how it all works.*

Payment system[ edit ] This article has multiple issues. Please help improve it or discuss these issues on the talk page. The lead section of this article may need to be rewritten. June This article may be too technical for most readers to understand. Please help improve it to make it understandable to non-experts , without removing the technical details. June Learn how and when to remove this template message A payment system is any system used to settle financial transactions through the transfer of monetary value, and includes the institutions, instruments, people, rules, procedures, standards, and technologies that make such an exchange possible. With the advent of computers and electronic communications a large number of alternative electronic payment systems have emerged. These include debit cards , credit cards , electronic funds transfers , direct credits , direct debits , internet banking , and e-commerce payment systems. Some payment systems include credit mechanisms, but that is essentially a different aspect of payment. Payment systems are used in lieu of tendering cash in domestic and international transactions and consist of a major service provided by banks and other financial institutions. Payment systems may be physical or electronic and each has its own procedures and protocols. Standardization has allowed some of these systems and networks to grow to a global scale, but there are still many country- and product-specific systems. Examples of payment systems that have become globally available are credit card and automated teller machine networks. Specific forms of payment systems are also used to settle financial transactions for products in the equity markets , bond markets , currency markets , futures markets , derivatives markets , options markets , and to transfer funds between financial institutions both domestically using clearing and real-time gross settlement RTGS systems and internationally using the SWIFT network. The term electronic payment refers to a payment made from one bank account to another using electronic methods and forgoing the direct intervention of bank employees. National[ edit ] An efficient national payment system reduces the cost of exchanging goods, services, and assets and is indispensable to the functioning of the interbank, money, and capital markets. A weak payment system may severely drag on the stability and developmental capacity of a national economy; its failures can result in inefficient use of financial resources, inequitable risk-sharing among agents, actual losses for participants, and loss of confidence in the financial system and in the very use of money [5] The technical efficiency of payment system is important for a development of economy. Real-time gross settlement systems RTGS are funds transfer systems where transfer of money or securities takes place from one bank to another on a "real-time" and on "gross" basis. Settlement in "real time" means that payment transaction does not require any waiting period. The transactions are settled as soon as they are processed. Once processed, payments are final and irrevocable. TARGET2 is used for the settlement of central bank operations, large-value Euro interbank transfers as well as other euro payments. TARGET 2 provides real-time financial transfers, debt settlement at central banks which is immediate and irreversible. International[ edit ] Globalization is driving corporations to transact more frequently across borders. Consumers are also transacting more on a global basisâ€”buying from foreign eCommerce sites; traveling, living, and working abroad. For the payments industry, the result is higher volumes of paymentsâ€”in terms of both currency value and number of transactions. This is also leading to a consequent shift downwards in the average value of these payments. The ways these payments are made can be cumbersome, error prone, and expensive. Growth, after all, is often messy. Payments systems set up decades ago continue to be used sometimes retrofitted, sometimes force-fittedâ€”to meet the needs of modern corporations. And, not infrequently, the systems creak and groan as they bear the strain. For users of these systems, on both the paying and receiving sides, it can be difficult and time-consuming to learn how to use cross-border payments tools, and how to set up processes to make optimal use of them. Solution providers both banks and non-banks also face challenges, struggling to cobble together old systems to meet new demands. But for these providers, cross-border payments are both lucrative

especially given foreign exchange conversion revenue and rewarding, in terms of the overall financial relationship created with the end customer. The challenges for global payments are not simply those resulting from volume increases. A number of economic, political, and technical forces are changing the types of cross-border transactions conducted. Corporations are making more cross-border purchases of services as opposed to goods , as well as more purchases of complex fabricated parts rather than simple raw materials. Enterprises are purchasing from more countries, in more regions. Increased outsourcing is leading to new in-country and new cross-border intracompany transactions. More enterprises are participating in complex, automated supply chains, which in some cases drive automatic ordering and fulfillment. Online purchasing continues to grow, both by large enterprises as part of an automated procurement systems and by smaller enterprises purchasing directly. There is continued growth in the use of cross-border labor. Individuals are increasingly taking their investments abroad.

### 3: The Fed - Fedwire Securities Services

*systems are one of the oldest forms of non-cash payment system. Checks are a common paper-based channel and while in decline are still widely used in the United States and a few other countries.*

Medicare Prospective Payment and the Shaping of U. Health Care Rick Mayes, Ph. Here, Rick Mayes and Robert A. They conclude with a discussion of the problems with the Medicare Modernization Act of and offer prescriptions for how policy makers can use Medicare payment policy to drive improvements in the U. Mayes and Berenson draw from interviews with more than sixty-five major policy makersâ€”including former Treasury secretary Robert Rubin, U. He is the author of Universal Coverage: From to , he was in charge of Medicare payment policy and managed care contracting in the Health Care Financing Administration now the Centers for Medicare and Medicaid Services. First, it is an explication of recent history that connects the dots from prospective payment to Medicare-based deficit reduction to cost shifting to managed care. Mayes and Berenson skillfully challenge the assumptions of those convinced that Medicare should be restructured around private health plans. Thomas "Thoughtful, scholarly, and analytically powerful, this book is important for understanding and evaluating the prospective payment system and its impact on Medicare and the health care industry. A good read, with a wealth of historical anecdote and interview material. The final recommendations should be required reading for anyone seeking to reform Medicare or move toward national health insurance. Smith, Swarthmore College, author of Entitlement Politics: Medicare and Medicaid, â€” "This rich and informative book does so much more than provide a marvelous history of the Medicare prospective payment system. It shows that emerging problems can be solved if we put our minds to that task. I hope it is read carefully and its lessons learned. For those who want to understand what Medicare has done to control its spending, how federal payment policies affect the private sector in health care, and what Medicare can do now to strengthen its cost controls, there is no better place to start. This is a must read for anyone wanting to understand the managed care revolution, the managed care backlash, and why the competitive strategy is viewed with great skepticism today. This is an important contribution. Reading it made me realize that seeing Medicare simply as a program for elderly people is to miss its wider impact and its potential for the future development of health care in the United States. Its willingness to question conventional wisdom and shrewd analysis make it an important contribution to the literature.

## 4: Payment, clearing and settlement in various countries

*Payment System Webcast, September 21, The Federal Reserve and payment stakeholders are collaborating to improve the speed, safety, and efficiency of the U.S. payment system.*

Etymology[ edit ] The root word "pay" in "payment" comes from the Latin "pacare" to pacify , from "pax", meaning "peace". As the Latin word was made part of Old French "paier", it retained the meaning "pacify" and "appease" but gained the meaning "to pay" as in paying a debt. The Middle English word "payen", which came from French, was also used in both ways. Exchanging involves the use of money , comprising banknotes and coins. Provisioning involves the transfer of money from one account to another, and involves a third party. Credit card , debit card , cheque , money transfers , and recurring cash or ACH Automated Clearing House disbursements are all electronic payments methods. Electronic payments technologies include magnetic stripe cards , smartcards , contactless cards , and mobile payments. Parties involved[ edit ] Payments may be classified by the number of parties involved in a transaction. For example, a pre paid care transaction usually involves four parties the purchaser, the seller, the issuing bank , and the acquiring bank. A cash payment requires a minimum of three parties the seller, the purchaser, and the issuer of the currency. A barter payment requires a minimum of two parties the purchaser and the seller. Providers[ edit ] The infrastructure and electronic clearing methods are formed by the payment provider. Maestro and Cirrus are international debit card payment providers. Interbank[ edit ] The central bank CB Ccy of a currency can maintain a loro account for a bank which the bank would call a nostro account. Direct[ edit ] A bank P the payer with a central bank nostro can pay directly to another bank R the receiver which has also a nostro with CB Ccy by instructing the central bank to make a payment of N[Ccy] or an amount N in Ccy. Indirect[ edit ] If the payer P maintains a loro account for another bank X, P can act as a payment agent for X: In this example the first half of the payment is indirect and the second one from CB Ccy to R is still direct. In practice, not every payment agent might have a direct nostro with the central bank, thus rather weird payment constellations can exist, which are hard to describe. Directness coefficient p,q [ edit ] If we define p,q where p is number of parties on the sender side and q on the receiver side, we can classify the directness of payments. In , debit cards accounted for 9 percent of all purchase transactions, and this is expected to double to Cheque clearing Historically, cheques have been one of the primary means of payment for purchasing goods and services, though its share in the payment mix is falling worldwide. Timing[ edit ] The timing of a payment has legal implication in some situations. Payment may also occur when a person transfers property or performs a service to the payee in satisfaction of an obligation. This rule also generally applies where the check is not presented to the bank until the next taxable year, and even though the payer could stop payment on the check in the meantime. Payment of most fees to government agencies by cheque, if permitted, usually takes effect after a set number of days for clearance or until the cheque is actually cleared. Payments by credit card, if permitted, and cash payments take immediate effect. Normally, no other forms of payment are permitted or accepted.

## 5: FFIEC IT Examination Handbook InfoBase - Retail Payment Systems

*The book starts with an overview of different payments systems and then takes a deep dive into each of the individual systems, moves onto perspectives from different folks involved in payment systems including users and providers, and finally closes out with emerging payments systems.*

Contact Menu Join 62, marketing managers who get our best digital marketing insights, strategies and tips delivered straight to their inbox. While many of the companies on this list have been available to online merchants for years, many are also now getting into new areas of online payments such as social commerce and in-store online card reader systems. A Quick Primer on Online Payment Systems Before getting started, here are just a few things to know about online payment systems. ACH payments are electronic credit and debit transfers, allowing customers to make payments from their bank accounts for utilities, mortgage loans, and other types of bills. ACH stands for Automated Clearing House and most payment processors offer ACH payment options to their customers, especially for monthly- and subscription-based transactions. Most payment solutions use ACH to send money minus fees to their customers. A merchant account is a bank account that allows a customer to receive payments through credit or debit cards. Merchant providers are required to obey regulations established by card associations. Many processors such as the ones listed below act as both the merchant account as well as the payment gateway. A payment gateway allows merchants to securely pass credit card information between the customer and the merchant and also between merchant and the payment processor. The payment gateway is the middleman between the merchant and their sponsoring bank. A payment processor is the company that a merchant uses to handle credit card transactions. Payment processors implement anti-fraud measures to ensure that both the front-facing customer and the merchant are protected. What follows are 10 excellent online payment systems. With a user base of over 1 billion, merchants, Authorize. Net has been the go-to method for e-commerce sites that need a gateway to accepting payments. Widely used e-commerce platforms such as Magento, Volusion and X-Cart are designed to accept payments using Authorize. Money can be sent directly to an email address, thus prompting the users to sign up for a new PayPal account. In addition to taking payments, PayPal also allows its users to send money through the service, which is a feature that only a few payment solutions provide. PayPal merchant fees 3. Google Checkout allows users to pay for goods and services through an account connected to their Google profile. The major benefit that Google Checkout has over the competition is that millions of Internet users use Google for other services, making a purchase through Checkout a simpler process. Google Checkout fees start at 2. The percentage they take goes down depending on monthly sales volume. Google Checkout fees 4. Popular crowdfunding site Kickstarter uses Amazon Payments. Amazon Payments fees start at 2. Amazon Payments fees 5. Dwolla Dwolla is a direct competitor to PayPal. By bypassing the traditional sign up process, Stripe acts as a merchant account for its providers, handling all PCI compliance and merchant approvals. Braintree Braintree is an online payment gateway and merchant account solution known for working with popular tech startups such as Airbnb and LivingSocial. There are no set-up or monthly fees. Transaction fees are 2. Pricing â€” Braintree 8. Samurai by FeeFighters Samurai is a payment gateway and merchant account solution. Samurai by FeeFighters pricing 9. WePay WePay is a payment processor that allows Internet merchants to accept credit cards and bank account payments online. WePay seems to be focused on the individual user, and has recently added e-store pages to their service to help their customers conveniently take in payments e. WePay charges a 3. The company offers international payments, shopping cart stores as well as a recurring billing feature. These two payment services allow merchants to accept credit card payments directly through their mobile devices, making it possible for devices such as the iPhone, the iPad and Android smartphones to act as a mobile point of sale POS checkout system. If you work with an e-commerce marketing agency , such as WebFX, ask your account manager what they suggest based on their experiences. WebFX works with a variety of industries, from hotels to boat dealers, so they likely have experience working with similar e-commerce businesses to yours.

### 6: How do I check and update my web browser?

*Payment systems are changing profoundly through regulation, technology and competition from new entrants. This is a comprehensive introduction and reference on payment systems, covering their structure, international systems and settlements, and focusing on electronic transfers.*

### 7: Payment system - Wikipedia

*Book A History of Digital Currency in the United States PDF Free Download, by P. Carl Mullan ISBN: , , This book presents detailed case studies of the first commercial internet digital currency systems developed between and*

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*Bank Global Payment Systems Survey is the result of collective efforts of the Payment Systems Development Group (PSDG) of the World Bank. The various products presented in this study, including the detailed questionnaire that.*

### 9: Medicare Prospective Payment and the Shaping of U.S. Health Care

*The financial infrastructure in Israel includes interbank payment and settlement systems which are used to transfer and settle payments, communication systems and means for making payments.*

*Do Gerbils Go to Heaven (Adventures with Jeremy James) Cbse class 12 maths question paper 2014 Find Scrooge in a Christmas carol Unhappy days at happy camp Adventure on the St. Lawrence Legend of the Rose of the Alhambra. Battles of the 20th Century Peace and stability in the Asia-Pacific El tao del jeet kune do 4. Demographic changes in Americas small cities, 1990-2000 Christiana K. Brennan and Christopher Hoene Reconstruction and Cold War in Germany Pioneers of the Colorado Parks Imagination in Transit Report of the Committee on the north-eastern boundary. Journaling section. Managing the Account Development Function Life of William Blake The Warren Courts conceptions of democracy Ethics in the biotechnology century : the South and Southeast Asian response, Bangladesh Hasna Begum Accounting volume 1 ninth canadian edition Connecting students to a changing world Squadron Supreme Vol. 1 Proofs : New Testament Financially Focused Project Management Foreign direct investment, macroeconomic instabiity, and economic growth in MENA countries Rise of renegade x Operations research phd dissertation Civil engineering mechanics of materials My Khyber Marriage Duke Ellington (Black Americans of Achievement) Ser. 8. Subject files (54 fiches) Origins of western literacy The Jewish literary renaissance at the turn of the nineteenth and the beginning of the twentieth centurie V. 1. Principles and practice edited by Peter Golob, Graham Farrell, and John E. Orchard Chinese Legal Reform (European Institute of Japanese Studies East Asian Economics Business Ser) The holt handbook green grammar Get More out of Your Prayers Dic Hist France M-Z (Historical Dictionaries of French History) Rudely into the light . To punish the hostiles*