



# Velocity

# technologi

## What is Velocity?

Velocity supports the payments industry, in-particular payment facilitators to manage transaction rating and settlement to merchants and sub-merchants. The platform simplifies the typically complex process of importing transaction data, rating that data against a merchant pricing profile, deducting service charges or chargebacks, generating invoices and statements and then distributing funds to the merchant on a gross or net settled basis.

Velocity offers both instructional funding capability as well as managed settlement. With instructional funding, payment providers have the pricing and funding logic within their own system and simply send an API call or funding file to technologi for onward settlement. In the case of managed settlement, the pricing, funding method and settlement frequency logic sits within Velocity. The platform is aware of what has been offered to each merchant/sub-merchant as part of the boarding process, imports transaction data, manages deductions (such as service charges or chargebacks), generates statements and then initiates the settlement of the funds by generating the funding files. Working with partner banks, technologi can also directly initiate the payment.

**Velocity is a global solution, multi-currency and multi-language.**

## The Challenge

Organisations focused on bringing innovative, FinTech capability to market often experience challenges with money movement and settlement and the complexities around that process. The new generation of payment facilitator is not a payments business but often an ISV incorporating payments as part of their broader offer. It is not just a case of processing transactions and then sending instructions to a "for benefit of" account for the distribution of funds to merchants and sub-merchants, consideration must be made for the deduction of service charges, management of chargebacks, fraud and risk tools to pause and resume funding, manage reserves, rolling reserves and deposits, manage settlement methods, frequencies and local holidays as well as generate acquirer reporting to satisfy scheme and regulatory compliance. To obtain and maintain compliance the solution must also have a very clear audit trail demonstrating the origination and destination of funds.

The build and operation of a settlement engine can quickly become a huge consumer of resource, distracting the payment facilitator from being able to focus on their core capability and build innovative business or consumer facing applications. Scale and reconciliation are also an important challenge to consider, the ability to quickly process transaction data, reconcile it against other data resources and prepare files for submission for funding in an efficient manner is essential.

## How does Velocity work?

Velocity enables the payments industry to focus on building leading technology without the concern of building and implementing a transaction rating and settlement engine and can be seamlessly integrated into existing systems or used in conjunction with the technologi Revolution merchant boarding platform and Prospect risk management platform.

**The platform offers 2 delivery options, either use the service for instructional funding or as a managed settlement service.**

Instructional funding is for payments businesses that have an existing platform, maintain pricing and settlement logic within their own system and are simply looking for a method to efficiently deliver settlement requests to a "for benefit of" account. Velocity provides a REST API (or upload service) to manage the distribution of funds as well as providing a reconciliation and reporting service, funding dashboard and a full audit trail for the destination of the funds to support the payments business to manage AML and compliance obligations.

The managed settlement capability is for those who need the merchant pricing and funding logic managed outside of their current service offer. Velocity accepts a merchant boarding request detailing the commercial offer to the merchant/sub-merchant, creating a profile for them. Within that profile the payments business can also define the settlement method, settlement frequency as well as identify service or other charges that should be deducted from settled monies.

Velocity imports the transaction data on behalf of the payments business from the acquirer, processes that transaction data, identifies the charges due from the merchant/sub-merchant for those transactions and the revenue due to the payments business. The system also has a series of fraud, risk and credit management features. Velocity allows the payments business to setup deposits, fixed and rolling reserves as well as pause and resume funding.

**The platform also incorporates full invoicing and statement production functionality allowing for more than just settlement but an entire billing and money management platform. Also, when used in conjunction with Prospect, the technologi risk management tool, funding for transactions can be automatically paused when they cross a certain risk threshold.**

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 1 800 7963127  02382 025555  0 800 1014922  1 800 195956

[www.technologi.net](http://www.technologi.net)

**Velocity gives payments businesses a highly configurable, feature rich platform that enables you to get to market quickly with a comprehensive rating, funding/settlement, billing and financial risk management solution at a fraction of the build and management cost.**

It is important to note that technologi does not hold on to merchant/sub-merchant funds. This must be done through a “for benefit of account”, arranged by the payments business.

## Features and Benefits

### Focus on the development of your core capability

The production and management effort of settlement functionality can be material and often a distraction from what payments businesses do best – innovate at the product level. Using Velocity allows you to focus on building great new functionality for customers without having to divert resource and attention to the build of transaction settlement functionality.

### Multiple options to suit differing settlement requirements

For those with an existing platform simply looking for a method to settle transactions with reconciliation, dashboard and audit trail functionality the instructional funding capability is a logical option. For those looking to extend that capability, the managed settlement functionality of Velocity provides arguably the best features available in the market for processing, rating, service charging, settlement and fraud/ risk management.

### Speed up time to market

Velocity is not only a method of getting to market quicker with settlement functionality vs. building you own but also a way of getting to market with a comprehensive, industry leading set of features that allow you to extend and globalise your offer to merchants. The development on Velocity also continues day to day so it offers the opportunity for you to continuously improve your capability without needing dedicated product or development resource.

### In-built deposit and reserve management

With the ability to manage deposits, set fixed and rolling reserves within Velocity it allows payments businesses to be more open to perceptually higher risk business. Rather than simply declining applications, you will now be able to deliver conditional acceptance options to merchants when money is held as a deposit, managed as a fixed value reserve or a reserve based on the percentage of processed transactions on a rolling basis for a defined period.

### Full reconciliation and reporting

Import data from multiple sources to perform transaction reconciliation as well as provide reporting and insight both for the payments business and for merchants. The funding dashboard includes visibility of batches to be settled, transactions being held, reserves being managed, and charges being generated. The platform also manages your upstream reporting to the acquirer so they can satisfy their scheme and regulatory compliance obligations.

### Billing, invoicing and statementing functionality

With integrated billing system functionality Velocity offers a comprehensive invoicing, crediting and statementing functionality to run alongside the processing and settlement of transactions. This provides payments businesses the whole solution for the management of charges to merchants/sub-merchants and the settlement of transactions processed on their behalf.

### Use in conjunction with Revolution and Prospect

When Velocity is used in conjunction with Revolution, technologi’s merchant boarding tool and Prospect our risk management platform, it provides payments providers the whole ecosystem from boarding through to remittance. It allows capability such as “conditional acceptance” where you can approve an application through Prospect based on settlement being managed in a certain way i.e. a rolling reserve.

## Highlights

- Provides a comprehensive platform for transaction rating, settlement, risk management and reporting within a single solution allowing you to focus on the customer offer and not the settlement platform behind it.
- Globalise your settlement capability by using Velocity covering multi-region, multi-language, multi-currency requirements.
- Increase the number of addressable opportunities by converting what would have previously been declined merchants into those with conditional acceptance using our deposit and reserve management capability.
- Multiple options to utilise the service based on the level of responsibility and control you want of the service using both UI and API .
- Integrated reporting and reconciliation features makes management simpler and provides a full audit trail for the purposes of compliance.
- Use in conjunction with Revolution and Prospect to deliver an entire merchant ecosystem from boarding through to money settlement.

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