



Visa’s Payment Facilitator Model

Expanding access to sellers

For More Information

Agents: Contact your Visa acquirer.

Acquirers: Contact your Visa Account Executive or Account Manager.

Visa’s merchant aggregation model covers all commerce types, including the in-store, unattended and online environments, both account-on-file & guest checkout. It helps to increase electronic payment acceptance for merchants who do not have a “traditional” acquiring relationship.

The key participants in this model are the acquirer, payment facilitator (PF), and sponsored merchant. In an acquiring context, a PF is a third-party agent that:

- Signs a merchant acceptance contract with a sponsored merchant on behalf of an acquirer. This means the PF can own the merchant relationship directly¹, without an acquirer being party to the contract.
- Receives & distributes settlement of transaction proceeds from an acquirer¹, on behalf of its sponsored merchant(s).

A sponsored merchant is a merchant whose payment services are provided by a PF and all Visa merchant requirements apply equally to a sponsored merchant. Acquirers are responsible for the acts of both PFs and sponsored merchants. Visa’s PF framework applies globally across all Visa regions/countries. For a full list of Visa’s third-party agent types, see further details [here](#).

A Model That Can Benefit Everyone

The PF model can provide a positive impact on all key stakeholders in the payment processing system; below are examples of benefits afforded to each participant.

Acquirers’ benefits may include:

- Reducing the cost of signing and supporting long-tail merchants, or those with specialized needs.
- Broadening the types & number of merchants eligible for payment acceptance (e.g., charities, individuals/professionals, community & sports events, farmer’s markets, etc.).
- Providing Visa payment acceptance options in sectors that traditionally accept cash, checks or account-to-account payments, by offering bespoke & innovative payment solutions.

These materials and best practice recommendations are provided for informational purposes only and should not be relied upon for marketing, legal, regulatory or other advice. Recommendations should be independently evaluated in light of your specific business needs and any applicable laws and regulations. Visa is not responsible for your use of the marketing materials, best practice recommendations, or other information, including errors of any kind, contained in this document.

¹ At the option of the acquirer; see the [Visa Rules](#) for further details.

Merchants may see:

- Cost-effective payment acceptance solutions for medium, small & micro merchants, or merchants with specialized needs.
- A way to support additional payment acceptance services.

Prospective PFs...

- Can participate deeper in the Visa payment system, adding payment capability to existing merchant software, website & inventory solutions.

Visa's PF framework outlines key responsibilities & eligibility requirements for all participants:

| PARTICIPANT | KEY RESPONSIBILITIES | PROGRAM ELIGIBILITY |
|----------------------------|--|--|
| Acquirer | <ul style="list-style-type: none">• Contracts with a PF to enable sponsorship of merchants.• Monitors compliance of PF in accordance with the Visa Rules.• Conducts due diligence of PF, and ensures proper due diligence occurs during the signing of sponsored merchants. | <ul style="list-style-type: none">• Must be in good standing in all Visa risk management programs in order to sponsor PFs.• Must meet the minimum risk rating standards and minimum equity requirements, as determined by Visa. |
| Payment Facilitator | <ul style="list-style-type: none">• Contracts with an acquirer to provide Visa payment services to sponsored merchants within the Acquirer's jurisdiction.• Contracts with sponsored merchants to enable Visa payment acceptance.• Monitors compliance of sponsored merchant activity in accordance with the Visa Rules.• Receives & directs settlement of transaction proceeds from the acquirer, on behalf of the sponsored merchant. | <ul style="list-style-type: none">• Cannot be listed on the Visa Merchant Screening Service (VMSS), or similar screening files.• Cannot act as a sponsor for another PF, staged digital wallet, or other P2P/money transfer activity, as outlined in the Visa Rules. |
| Sponsored Merchant | <ul style="list-style-type: none">• Contracts with a PF.• Sells products and services to Visa cardholders.• Accepts Visa products as payment. | <ul style="list-style-type: none">• May be required to sign a direct merchant agreement with an acquirer, depending on annual Visa sales volume (sponsored merchants can maintain the PF relationship for payment acceptance & settlement services)².• Must be located within the acquirer's jurisdiction.• Cannot be listed on the VMSS, or similar files. |

Other General Requirements

An acquirer must complete the appropriate registration process with Visa to confirm that it has performed a comprehensive risk & financial review of the PF, as specified in *Third Party Agent Due Diligence Risk Standards*. Acquirers must provide all registration materials using the Program Request Management online application, or as otherwise specified by Visa. Information is available on Visa Online in the Third Party Agent Risk section.

The PF operating framework is subject to, and a part of, the Visa Rules. For further information on PF requirements, including rules relating to disputes, merchant descriptors, merchant category codes, and all other aspects of the program, please consult the [Visa Rules](#) and Visa Acquirer Risk Standards.



² Excluding merchant types belonging to high-integrity risk merchant category codes, or merchants that conduct advance payments; please consult the Visa Rules for further details.