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The Global Business Solutions segment generates approximately 77% of its revenues from clients in our North America region, 14% from clients in the EMEA region, 5% from clients in our APAC region, and 4% from clients in our LATAM region. The Global Business Solutions segment's revenues and earnings are impacted by the number of transactions and payment volume, the mix of consumer usage of credit cards, debit cards, stored value cards, and checks written at the POS, and the size of the business. GBS generally experiences increased POS activity during the traditional holiday shopping period in the fourth quarter, the back-to-school buying period in the third quarter, and certain holidays.

Our GBS segment revenues are primarily derived from processing credit and debit card transactions for business clients and also include fees for providing processing, loyalty and software services and sales and leases of POS devices. Revenues are generated from a variety of sources:

- Discount fees charged to a merchant, net of credit and debit card interchange and assessment fees charged by the payment networks. The discount fee is typically either a percentage of the purchase amount or an interchange fee plus a fixed dollar amount;
- Processing fees charged to our alliances;
- Processing fees charged to merchant acquirers who have outsourced their transaction processing to us;
- Sales and leases of POS devices;
- Fees from providing reporting and other services; and
- Software and software-as-a-service fees generated from the *Clover App Market*.

Merchant Acquiring and Processing Solutions

Our largest service in the Global Business Solutions segment is merchant acquiring, which enables our business clients to accept electronic payments, such as credit, debit, stored-value, and loyalty cards. These services include transaction capture, payment authorization, funds settlement, charge-back handling, and Internet-based gateway encryption and routing. The vast majority of these services pertain to transactions which are routed through a payment network (such as Visa or MasterCard), an EFT network (such as the *STAR Network*, which is owned by us), or other payment issuer networks (such as American Express and Discover). Merchant acquiring revenues are generated from a variety of sources, including (1) discount fees charged to a merchant, net of credit and debit card interchange and assessment fees charged by the payment networks, which is typically either a percentage of the purchase amount or an interchange fee plus a fixed dollar amount; (2) processing fees charged to our alliances; (3) processing fees charged to merchant acquirers who have outsourced their transaction processing to us; (4) sales and leases of POS devices; (5) monthly or annual fees from providing reporting, compliance, security, and other services; and (6) software-as-a-service fees generated from the *Clover App Market*.

We typically provide these services as part of a broader commerce-enabling solution to our business clients across multiple channels, including:

- **Retail Point-of-Sale** – Physical businesses or storefront locations, such as retailers, supermarkets, restaurants and petroleum stations, with brick and mortar facilities, which we refer to as *Retail POS*;
- **Mobile Point-of-Sale** – Physical businesses with remote or wireless storefront locations, such as small retailers and service providers that use mobile devices to accept electronic payments, which we refer to as *Mobile POS*; and
- **Online Point-of-Sale** – Online businesses or website locations, such as retailers, digital content providers, and mobile app developers with Internet-based storefronts that can be accessed through a personal computer or a mobile device, which we refer to as *eCommerce*.