

nology merchant platform 2 if the existing merchant technology can be configured to communicate directly with the System platform 4 instead of the Merchant Processor 2100).

[0085] Additional payment features can be included on the mobile's system application software, for instance, allowing for approval of an amount in excess of the request to account for tips. Again, if the System platform 4 forwards the request for authorization to the System Processor 2200 and then receives the authorization status, the System platform 4 will have to pass the authorization status (including the authorization code) to the Merchant Processor 2100 or merchant platform 2 for further processing. An alternative method would be to have the issuing bank notify the merchant electronic system 210 (generally through the Merchant Processor 2100), but in this case, additional transaction identifier(s) may be required to uniquely identify the transaction to which the authorization attaches.

[0086] The advantage of the System card at a POS sale is that the merchant's employees have no opportunity to capture the actual financial account information. Further, if the card is lost or stolen, magnetically swiped or electronically read (in the case of a smart card) the information is still useless, as upon use of the card, the subscriber's mobile device is contacted for approval, thereby notifying the subscriber of a third party trying to use his card. It can be possible (if account identifiers are stored on the System databases) to allow the Subscriber to configure his account with a "default" account number, that is an account which is automatically selected unless overridden by the subscriber. Also, the subscriber may configure his account to allow use of a default card even with confirmation from the mobile communication device. This feature is not recommended due to the inherent associated security risks.

[0087] (ii) Consumer to Consumer (CTC) Transaction

[0088] (ii)(a) Subscriber to Subscriber

[0089] A CTC transaction is a request to transfer funds from one of the subscriber's accounts to another subscriber's financial account or to fund another subscriber's transactions. The first instance is to allow a System subscriber to fund another System subscriber (for instance, a parent funding a child's bank account, or funding the purchase by the child at a store, etc). The transaction can be initiated by either the funding party or the party requesting funding, as will be described. In this instance, the subscriber requesting funding (or payment) is the "merchant" for purposes of the System, and the requesting subscriber's mobile device will be the merchant platform.

[0090] Suppose Subscriber A desires to request funding from Subscriber B for a transaction. Subscriber A must have subscriber B's System ID number. Subscriber A activates the CTC function on the mobile application program (or the non-mobile application program, for instance at a desktop or through the System web portal), inputs subscriber B's System id (which can be stored in Subscriber A's mobile or System database) and the requested amount. Subscriber A may also enter an account identifier to receive the funds (the funded account) if the transaction is a simple transfer of funds between subscribers. In a merchant/Subscriber A/Subscriber B transaction, the merchant could request funding from the customer, Subscriber A. Subscriber A's device gets notified of the pending transaction, and Subscriber A acti-

vates the CTC feature and requests Subscriber B to fund the transaction (identify subscriber B, and request authorization for payment by Subscriber B).

[0091] The CTC information is forwarded to the System platform 4 (along with an identifier of the request as a CTC request). The System platform 4 sends the request to Subscriber B's mobile communication device with a request to fund, as in a normal merchant transaction. If the Subscriber A is requesting that funds be transferred to a merchant, the merchant identifier may be presented to Subscriber B; however, if Subscriber A desires funds to be deposited in a bank account, the actual account number will generally not be transferred to Subscriber B's mobile unit due to security concerns. Instead, some type of identifier or encoded identifier will generally be provided to notify Subscriber B of the nature of the account to be funded, such as the account alias.

[0092] If Subscriber B agrees to fund Subscriber A's transaction, Subscriber B selects the funding account identifier (using the identify verification process if in place) from those displayed on his mobile communications device, and transmits this information to the System Server 4A. The System platform 4 then transmits the needed transaction information (e.g., funding account, funded account, funded amount, request for authorization) (possibly after decryption) to Subscriber B's identified issuing bank for payment authorization, and if authorized, for funding of the Subscriber A transaction. Subscriber A's request to fund a transaction can be held by the System (generally at the request of Subscriber A) for a period of time (a sunset period) to account for the unavailability of Subscriber B (for instance, Subscriber B may be remote from his mobile communications device, asleep, etc) with the System platform 4 attempting to deliver the funding request during the sunset period.

[0093] Note that the above CTC transaction can be handled in a variety of fashions for added security. For instance, Subscriber B can request his issuing bank for authorization to transfer, but delay actual transfer pending transfer authorization. If the funding authorization is granted, Subscriber A can be provided with a transfer "token," such as a transfer password by the System Platform. Subscriber B can provide the transfer token Subscriber A by voice, email, text message etc. Within a given time window, Subscriber A could access the System platform (such as through the System web portal using the mobile device or a desktop), provide the transfer token information and transaction number or Subscriber ID. The System platform would verify the correctness of the token/transaction (possibly requesting identity verification if a system subscriber), and forward the funding authorization to the proper issuing bank to transfer or fund the previously authorized payment.

[0094] The above transaction can also be initiated by the funding party. In this instance, Subscriber B desires to fund an account for Subscriber A (for instance, a parent desiring to place funds in a child's debit account). Subscriber B activates the CTC feature, and identifies Subscriber A (such as by Subscriber A's ID), funding amount, and Subscriber B's funding account. As an option, Subscriber B may also provide the account id of the funded account (for instance, the mobile database or System database can have stored (encrypted if needed) account numbers of third parties for