

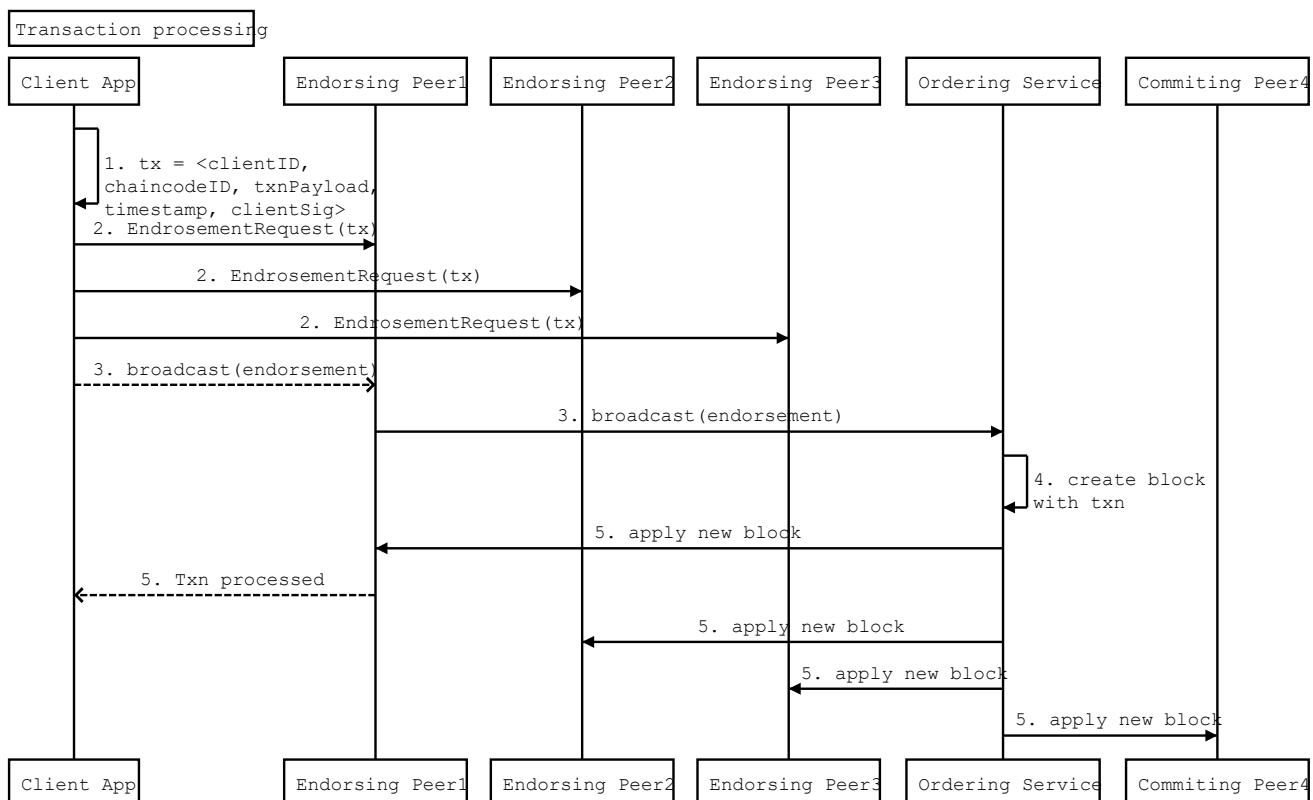
# Transaction Processing

In this lesson, we will take a look at high-level steps carried out in transaction processing.

Here is the list of high-level steps being carried out when a transaction needs to be applied to the ledger.

1. Client App prepares the transaction signed by the user.
2. Client App connects to endorsing peers(as per endorsement policy) to collect signed endorsements on the transaction output. The peers simulate the transaction and return a signed endorsement.
3. Client App submits the endorsed transaction to ordering service, which puts it into a valid block and distributes to all peers.

Please go through the detailed flow using this diagram:



In the next lesson, we will take a look at development components.

