Example of a State Transition Diagram

Let's consider an ATM system function where if the user enters the invalid password three times the account will be locked.

In this system, if the user enters a valid password in any of the first three attempts the user will be logged in successfully. If the user enters the invalid password in the first or second try, the user will be asked to re-enter the password. And finally, if the user enters incorrect password 3rd time, the account will be blocked.