# CHARGEBACKS OVERVIEW

**What is a chargeback?**

A chargeback is the process an issuing bank uses to handle a disputed transaction. Chargebacks can be initiated by the Cardholder or the bank itself. When a chargeback occurs the funds are withdrawn from the merchants account and returned to the bank.

**When does a chargeback occur?**

Some of the most common reasons for a chargeback are:

- Failure by merchant to respond to a retrieval request for a legible or complete copy of a transaction receipt
- The cardholder claims unauthorized use of a card
- Dispute by the cardholder over the quality of goods or services
- Failure by merchant to provide goods or services
- The transaction receipt does not bear the cardholder's signature
- The transaction receipt refers to an expired card
- The transaction receipt fails to comply with the terms and conditions of the agreement or fails to comply with the card rules?

 for a more complete listing of chargeback reasons and codes please refer to credit card website) put in links

**What should I do if I receive a chargeback?**

Merchants may dispute a chargeback depending on the chargeback reason. The dispute, referred to as Presentment, must take place within a certain time frame. A request for proper documentation will be specified in the Chargeback Advice Letter.

The documents should be mailed to Chargeback Processing Center 515 Broadhollow Rd. Melville, NY 11747 or faxed to (516)962-7834. If you have any questions regarding Chargebacks please call Chargeback Processing Center at (800)999-8674  9am – 5pm EST

It is important to carefully track and manage your chargebacks and take steps to avoid future chargebacks.

**How do I avoid chargebacks?**

Chargebacks can be costly. Although it is difficult to eliminate them, you can minimize the occurrence by following these simple steps:

-  Obtain the cardholders signature and make sure it matches the signature on the back of the card.
- Always obtain a valid authorization number -  call for a voice authorization (add telephone #'s)if needed and refuse a transaction if you receive a declined code
- Attempt to resolve issues directly with the cardholder
- Avoid duplicate processing of a transaction.
- Include the CVV2/CVC2/CID and AVS codes for Card-Not-Present transactions, if applicable.

- Include a description of the goods or services on the transaction receipt.
- Deliver merchandise or services before charging the card.
- Submit transaction receipts on the same day transactions are authorized.
- Make sure that the relevant transaction information appears on the transaction receipt.
- Never accept expired cards or cards having effective dates prior to the date of the transaction.
- Obtain a signature from the cardholder when merchandise is delivered.
- Be cautious of shipments to an address other than the cardholder's billing address.

**Where can I find the status of my chargebacks?**

You may elect to receive chargeback notices and retrieval requests via U.S. mail, Fax or email?

Contact Xenex Payment Systems with your preference.