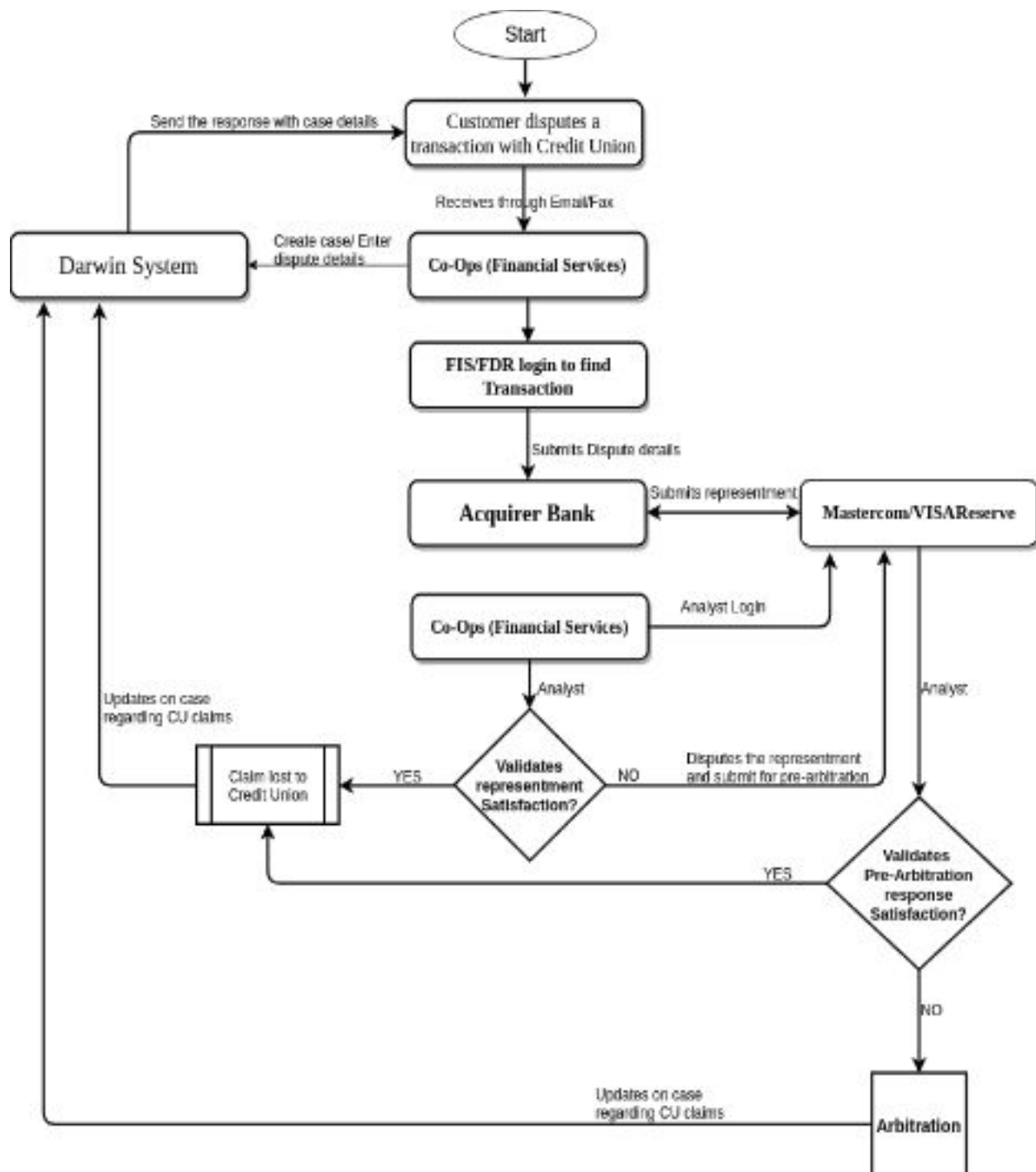# Chargeback Flow Chart (From Credit Union side)

Detailed Explanation of Flow chart

Step1:

1. Co-Ops(Financial Services) receives disputes through Email/Fax.
2. Creates a case for the dispute and entered details into Darwin system.

Step 2:

1. Co-Ops login to FIS/FDR(Financial Information Services/ Financial Data Reference) and finds the transaction for which dispute received.
2. They submits the dispute to the Acquirer bank with the transaction data.

Step 3:

1. Acquirer bank prepares the representment to the received Dispute with appropriate evidences.
2. Submits the representment to the **Mastercom/VISAReserve.**

Step 4:

1. Analyst from Co-Ops login to Mastercom/VISAReserve to validate the received representment from Acquirer.
2. He/She validates the representment as per the dispute reasons and takes a decision on it.
3. If analyst satisfies with the representment, he/she claims loss to Credit Union. This result is updated to the case which was stored in Darwin system.
4. If analyst doesn't satisfy, disputes the representment and submits for pre-arbitration.

Step 5:

1. Acquirer bank prepares the representment to the received pre-arbitration with extra evidences available and submits to the **Mastercom/VISAReserve.**
2. Analyst from Co-Ops login to Mastercom/VISAReserve to validate the received representment from Acquirer.
3. He/She validates the representment as per the dispute reasons and takes a decision on it.
4. If analyst satisfies with the representment, he/she claims loss to Credit Union. This result is updated to the case which was stored in Darwin system.
5. If analyst doesn't satisfy, disputes the representment and submits arbitration.
6. Arbitrator decides on the claim in **Mastercom/VISAReserve.** This result is updated to the case which was stored in Darwin system.

Step 6:

1. The result which was updated to the case in Darwin System is sent to the customer with case details.

Initiating a Dispute

Customer need to send a transaction dispute (TD) form to the bank so that it starts an investigation to resolve it. Usually, the bank executive will let you know about the dispute form and the dispute filing process when customer calls them to report the issue.

Customers may have a limited amount of time to resolve their complaint after the transaction date. The time may vary depending on state law, but in general you will have 120 days from the date of the transaction to submit their complaint.

The dispute form should be filled-in properly with all the required details of the disputed transaction. Based on the type of dispute, customer need to attach the required documents to validate the dispute.

Details required to be filled/submitted by the Customer in the dispute form:

1) Transaction Information
2) Dispute Description
3) Attachments

1) Transaction Information

Cardholder must provide the below attributes so as to identify the disputed transaction.

Attribute
Name on the card
Last 4 of Account
Merchant Name
Transaction type
Transaction Date
Transaction Amount
Posting Date

2) Dispute Description

A completed written statement for the transaction in question with a detailed explanation as to why customer believes an error occurred. (should select only one appropriate)

Attribute
❑ I have neither authorized nor participated in the above transaction(s). I confirm that the card is still in my possession.
❑ My card was lost/stolen on _____ and the same was reported to you on _____.
❑ Duplicate/Multiple billing. I have done only one transaction at the Merchant Establishment but I was billed _____ times. (Attach copy of authorized charge slip)
❑ I have cancelled the transaction(s)/returned the goods, but have not received credit/refund for the same (Attach Credit Voucher/Refund note/Merchant's letter or any form of merchant's confirmation that the credit is due to the card account)
❑ I had received defective merchandise/goods and had returned the goods to the merchant. (Attach Credit Voucher/Refund note/Merchant's letter or any form of merchant's confirmation that the credit is due to the card account)
❑ Paid by alternate means. I gave my card for payment, but later on paid by other means for the same transaction. I Paid by Cash (attach cash receipt/bill)/ Cheque (attach Cheque /Bank statement)/ other card (attach charge slip/other card statement)
❑ Cancelled Membership/Subscription/Booking. (Attach the proof of merchant acknowledging the cancellation)
❑ I ordered goods/services and the same were expected to be delivered by date (dd/mm/yy)_____, but I never received the same. (Attach the proof of merchant acknowledging the cancellation)
❑ I do not agree with the amount billed. The amount should be _____

Miscellaneous Questions

★ When/Where did you last use the card?
★ Was thePIN given to anyone?   ☐ Yes ☐ No   if yes,to whom?
★ The ATM/Debit Card was lost/stolen on _____ The lost/theft was reported to_____
    ★ Has this loss been reported to the Police Department ?   Yes   No
    ★ Agency contacted   _____
    ★ Report Number _____

3) Attachments

Customer has to submit the proof of claim according to the dispute description selected in the above step.

Attribute
Copy of authorized charge slip(receipt)
Bank statements
Credit card statements
proof of merchant acknowledging the cancellation
Credit Voucher/Refund note/Merchant's letter or any form of merchant's confirmation that the credit is due to the card account
Police reports

Upon providing all the details, Issuing bank tags the appropriate reason description and reason code to the dispute according to the VISA/MASTERCARD reason code list.

ANCILLARY QUESTIONS – MASTERCARD EXPEDITED BILLING FORM OR VISA QUESTIONNAIRE

Issuers will be required to fill out an enhanced Dispute Questionnaire that will ensure that all the required information is captured before the dispute is initiated.Each reason code follows unique set of questionnaire.

Reason Code: MERCHANDISE/SERVICES NOT RECEIVED

1) Did the cardholder participate in transaction?   (Yes/No)
2) Was delay in delivery of merchandise communicated to the cardholder? (Yes/No)
3) If delivery was delayed, what was the delayed delivery date?
4) What was not received?(Merchandise/Service)
5) Does the dispute relate to quality?   (Yes/No)
6) Provide detailed description of what was purchased and an explanation of the dispute:

7) What was the expected receipt date and time?

8) Did the cardholder cancel prior to the expected date?   (Yes/No)

9) Does the purchase relate to pre-paid goods or services where the balance was not paid and the merchant can provide the No goods or services?   (Yes/No)

10) Did the cardholder attempt to resolve the dispute with the merchant?   (Yes/No)

       Date of most recent contact:

       Contact Name:

       Contact Method:

       Merchant Response:

11) Was the merchandise delivered late or to the wrong location?   (Yes/No)

12) Did the cardholder return the merchandise?   (Yes/No)

Reason Code: FRAUD-CARD ABSENT ENVIRONMENT

1) At the time of transaction the card was? (Counterfeit/Lost/Stolen/Other)

2) Need explanation for selected reason : (In CH Possession/fraudulent use of Acc Number/Mail order/telephone order)

   Certification that the cardholder denies authorizing or participating in the dispute transaction.

Reason Code: CREDIT NO PROCESSED

1) Was a credit voucher,voided transaction receipt or refund acknowledgement given? (Yes/No)

2) Was the cardholder informed of the merchant's refund or return policy at the point of interaction?
   (Yes/No)

3) What was the date of the return/cancellation or the date of the attempted return/cancellation?

Reason Code: CANCELLED RECURRING

1) Is this a recurring Transaction? (Yes/No)

2) Is this related to installment payment? (Yes/No)

3) Enter one of the following?
   Cancellation date:
   Date Issuer informed of account closure:

4) What was purchased? (Merchandise/Service)

5) Describe what was purchased?

6) Did the cardholder attempt to resolve the issue with the merchant? (Yes/No)

7) Did cardholder return the merchandise? (Yes/No)

8) Did the cardholder cancel? (Yes/No)

9) Cancellation date?

10) Cancellation reason?

11) Was the cancellation policy provided? (Yes/No)

Reason Code:DUPLICATE PROCESSING

1) Are both transactions on the same account number?   (Yes/No)
2) Did the cardholder attempt to resolve the dispute with the merchant? (Yes/No)