

Spendable funds Errors, Unauthorized transaction policy & process

<h2>GUIDE.SUMMARY eBay protects members when errors have occurred that negatively impact their spendable funds if they are reported to eBay within 60 days of the transaction. In some cases eBay may also protect the member against un-authorized transactions reported to eBay within 60 days of the transaction. In cases where eBay determines that an error or covered unauthorized transaction has occurred eBay will credit the members spendable funds. This article

covers: <a

<h2><h2>GUIDE.RELATED_LINKS Related articles <a

Payments - Seller Registration Related links
href="https://www.ebay.com/help/account/spending-balance/spending-balance?id=5305">Help
page - Spendable funds

</h2></h2>GUIDE.TALKING_POINTS What are spendable funds?
Spendable funds are a new way for sellers to pay for items on ebay.com using the proceeds
from their sales. When you enroll in spendable funds, you can use your eBay earnings to pay for
items on ebay.com as soon as your buyer pays. When youre ready to make a
purchase, just select spendable funds at checkout. Dont have enough funds to cover the entire
purchase amount? You can combine them with another form of payment to complete
checkout. My selling funds were spent by the "hacker", how am I protected and
when will I get the money back? If your spendable funds were used to make a
purchase you dont recognize or didnt authorize, were happy to look into the issue and activity
further. An investigation will help us determine if youre eligible for a refund for the unauthorized
transactions. Investigations can take up to 10 business days and youll be notified of the outcome by
eBay message. How can I reconcile this unauthorized spending of sales
revenue, Im worried about tax liabilities. Tax liability is based on gross sales
earned, not spent sales revenue, so this activity shouldnt change your tax liability in any way. Our
best option is to review the account to determine if youre eligible for a refund for the unauthorized
transaction. Why did the system not automatically block my funds from being
spent if there was suspicious activity on my account? We take certain measures to
automatically block purchases and secure your account if we see suspicious activity. In this case,
our system didn't detect suspicious activity because the user was able to complete 2 factor
authentication successfully. Were happy to help secure your account and look into the issue further
and determine if youre eligible for a refund. Are there any fees involved
for this feature spendable funds on my account? No, there are no additional fees
charged for either enrolling in or using spendable funds on a purchase. I am only

a seller on eBay, I do not buy on eBay and do not want this feature on my account. If you do not wish to use your spendable funds on eBay purchases, you can choose to use a different Form of Payment for purchases in checkout or withdraw all of your available funds to your linked bank account at any time. Why cant I just opt out of this? There is no need to look out for opt-out. If you do not wish to use your spendable funds on eBay purchases, you can choose to use a different Form of Payment for purchases in checkout or withdraw all of your available funds to your linked bank account at any time. You can also keep your existing Payout schedules. What is 2FA and do I now have to use it? Step by step instructions can be found in the Help Hub in our article

</h2><h2>GUIDE.DETAILED_INFORMATION </h3>Unauthorized Disputes Process</h3> Front Office Unauthorized Disputes Process (e2M ATO) When a member disputes a transaction from their spendable funds, such as the purchase of an item, inaccurate amount charged for an item, shipping label, or issued a refund, we need to investigate that

claim. If you receive an unauthorized transaction report from a member:

- Complete ATO review account (<https://cskb.qa.ebay.com/cskbapp/art?page=content&id=GUIDE1067>)
- Use existing ATO workflows and Disposition Packages when actioning
- If not enough evidence of ATO, still secure the account through password reset using ATO-Compromised-Restore package, even if the seller states they have already done so).
- Help the member understand its important that we, as eBay, ensure we have secured the account.
- If enough evidence to action for ATO, the system will automatically create another case in AD for Backoffice Payments Risk Management (PRM) to confirm use of Spendable Funds and submit refund requests if confirmed.
- Let the member know there is an additional review required regarding use of Spendable Funds, and that we will follow-up with them within 10 business days.
- No further action is needed as the teammate working the unauthorized dispute investigation will follow up with the member with the outcome by eBay message.
- If the unauthorized spendable funds report is denied, any appeal is to be denied unless there is evidence the decision was made in error (Check Mac Note for details).

Back Office Unauthorized Disputes Investigation Process (PRM)

- Check for previous closed Issue 1042
- If account has prior I1042, inform PRM TL/Coach
- PRM TL/Coach to file Jira ticket to Account Risk (see Team Leader/Coach Account Risk Jira workflow below)
- No Action case
- If no previously closed issue 1042, open Issue 1042 to track the member dispute and block additional use of spendable funds.
- Confirm if ATO action taken was valid:
- If valid, confirm the Start Date is correct.
- If additional ATO action needed, rework case for ATO.
- If ATO confirmed, review transactions during ATO to see if Spendable Funds were used to pay for items.

Spendable Funds accounts show OPTED_IN on the Risk

src="https://cskb.qa.ebay.com/library/EBAY/1770_GUIDE/spendingfunds.PNG">

 To identify use of Spendable Funds: Navigate via My eBay > Selling > Payments > All transactions In All Types drop down menu, select Purchase, Shipping Label or Spendable funds refund To determine split payment amount or to confirm Spending Balance, click View for transaction. It will display spendable funds or eBay Your funds. If approved, close Issue

1042 and file Manual Correction per GUIDE1412

for purchases. Shipping label refunds need to be processed separately through our Shipping Label Void process (GUIDE1007<

;/a>) Request Type is Spendable Balance For split payments,

only refund the spendable fund amount File Manual Correction for each item number Document outcome using MAC Note tool

Choose Document_Flows >Trust and Safety Document flows > >Unauthorized

Dispute for eBay Funds Use template to document all required information

 ATO Start Date Decision: Approved/ Denied

Case Comments: Date created of associated ATO Mac Note date

Subject of associated ATO Mac Note Reported Spendable Fund Item

Numbers: Send relevant member

communication Classify email as Payment > MP > Seller Account

If denied, send member Unauth claim denied email through communicator

If approved, wait for an update from Manual Corrections team and once refund is confirmed,

send the member the >Unauth claim approved email through communicator and close Issue

1042. Close Issue 1042 If not re-working for

incomplete ATO, submit ATO - Close Case package
 Team Leader/Coach Account Risk Jira workflow Go to https://jirap.corp.ebay.com/ Click Create Chose Account Security (ACCSEC) for Project Enter Previous i1042 Unauth Dispute in Summary field Enter User ID and any details in Description field Select Create at bottom to submit Account Risk will review Jira request and follow up with member or PRM regarding the outcome Manual Corrections team Unauthorized Claims Process Check account for Mac note titled: Document > Account Takeover (Buying Violation). Review details for indication Payments Risk Management reviewed the account for Unauthorized account activity and determined the buyer claim valid. If valid, process manual correction for the full order amount to the buyer through the Money Movement Manual Correction tool using L1: Spending balance L2: Depends on Refund type <ol type="i"> When processing refunds for item purchases OR inaccurate amount charged use L2: Unauth move funds for item purchases from eBay to seller account When processing refunds for Seller initiated refunds OR returns refunds OR cancellation refunds - use L2: Unauth move funds for refunds from eBay to seller account Send reporting agent update on MC request by email If MAC notes indicate the claim on Unauthorized activity was invalid, do not process a manual correction and deny the agents request on the basis it does not qualify for a refund. Why did you deny my unauthorized transaction claim? After a thorough investigation we have determined the claim is ineligible for a refund. We look at several factors, which we cannot disclose, but we are confident the correct decision was made. If you see evidence a mistake was made on eBays part, please escalate to your team leader for help resolving.
 Team Leaders: We should be able to reprocess any cases or refunds if theres clear evidence of agent error. If you feel the situation warrants additional help or approval from Risk,

please utilize the Jira process above to submit your case for the member.

[Unauthorized Claims Guidelines](#)

Unauthorized Claims - Guidelines

Internal information Note: Not to be used by Phone teammates

Team members will grant or deny the claim based on guidelines set forth below.

ID	Policy	Description
1	eBay Controls	eBay agent did not follow established policy and provided access to an unauthorized third party through the account recovery process. A member reports that the payout bank tied to his Stored Value Total Balance has been altered without his authorization and his Stored Value Total Balance has been drained. The member didn't discover that the Stored Value Total Balance had been drained for a month until logging into his account to buy a new iPhone.
2	eBay Bug	Approve eBay failed to follow its own procedures resulting in an unauthorized transaction. The member reported the transaction within 60 days and has no liability.
3	eBay Controls but Late Claim	eBay agent/vendor who had privileged access to the account as part of their job description provided access to an unauthorized third party through the account recovery process. A member reports multiple unauthorized transactions against his Stored

Value Total Balance over the last six months. A member reports unauthorized transactions to their state regulatory agency, but the state regulatory agency does not communicate to eCI within 60 days.

Approve eBay failed to exercise adequate controls and monitoring of its vendors, but the member failed to report the unauthorized transactions for more than 60 days. eBay will payout losses related to recent transactions but the member is liable for transactions over 60 days. eBay will payout losses using the date of the initial claim to the state regulatory agency, even if it is over 60 days. If critical information is missing as data is archived, GCX will use other data points available to make a determination if a member is reporting in good faith and grant the claim.

Member Phished

A member reports multiple unauthorized recent transactions against his Stored Value Total Balance. An investigation reveals that the member was sent a phishing link and his username, password and one-time-code was likely phished through eBays message system. The member's account then had a login from a new device and IP and that the items purchased were shipped to a freight forwarder that is unrelated to the member.

Deny eBay is not responsible for phishing and similar scams which are out of eBays control.

Member Vished and Doesnt Follow Best Practices

A member reports multiple unauthorized recent transactions against his Stored Value Total Balance. During the interview the member says that he saw an email message showing logins to his account, but he ignored the messages because he was too busy to investigate. Later that day he received an automated message from eBay about potential unauthorized activity on his account and asked him to verify he was the account holder by providing the code that was sent to his phone. A week later he noticed that his Stored Value Total Balance had been drained. An investigation reveals a login from a new IP address and device and funds exited to a high risk bank. The investigator believes that the member uses the same username and password across multiple sites and that it likely was compromised via credential stuffing and that the member was socially engineered to provide their

one-time-code to the malicious actor. Deny eBay is not at fault. eBay will have no way to verify with confidence that an abusive buyer willingly gave away login credentials.
 Members Device is Infected Member reports multiple unauthorized recent transactions against his Stored Value Total Balance. An investigation reveals that the transaction for multiple iPhones originated from the members device but shipped to a different location than the member's address (for eg: nail salon in Los Angeles while the member lives in San Jose). Looking at the session reveals that the member was shopping for an auto-part but then showed very different behavior and quick checkouts. The investigator believes that the member is running OS (Windows 7) which is no longer supported and the machine may have been compromised with malware. Deny eBay is not at fault. eBay has no way to verify that a member unwillingly participated in this situation. Members Relative Left Alone A member reports multiple unauthorized recent transactions against his Stored Value Total Balance. An investigation reveals that the transactions were initiated from the members device but shipped to a location in the same city. A search on the address shows the address is a relative of the member and the purchase was for a new iPhone. A follow-up with the member reveals that the relative has an addiction issue or was a minor and was left alone with the computer during a recent visit. Deny eBay is not at fault. eBay will have no way to verify if a member unwillingly allowed a family member, friend, etc. to use their account Note: Guide user to return the item via eMBG claim or return request.
 Ex-Partner Drained Account A member reports multiple unauthorized recent transactions against his Stored Value Total Balance. An investigation reveals that the transactions were initiated from a trusted device and shipped to an address in the same city. An investigation shows a previous history of purchases shipped to the address for similar, but less expensive, items from the same device. A follow-up with the member reveals

that he shared the account with his ex-partner who used
The member's ex-girlfriend was an authorized user on the account. The transaction was authorized, the member is liable and the member should take the issue up with his ex-partner.

Member Catphished

A member reports multiple unauthorized recent transactions against his Stored Value Total Balance. An investigation reveals transactions that were initiated from the members device but shipped to a freight forwarding company in New Jersey. An investigation shows multiple purchases over the last 60 days shipped to the device and some transactions were initiated through his credit card and others through his Stored Value Total Balance but none of the credit card transactions were disputed. A followup contact with the member reveals that he believed that he was shipping the items to his new girlfriend that he met online but found later that he was the victim of a scam. Even though the member was the victim of a scam he/she authorized the transactions and is liable.

Transaction Gone Wrong

A member reports multiple unauthorized recent transactions against his Stored Value Total Balance. During the investigation we see multiple transactions shipping to the members address but the member states that the items were a rip off and that the seller was fraudulent. Deny The transaction was authorized and the member should file a SNAD claim.

Member Acts in Bad Faith

A member reports multiple unauthorized recent transactions against his Stored Value Total Balance. The member states that his computer has been acting weird and he may have been infected. During the investigation it is found that the stored balance originated from purchases of items from newly established accounts using anonymous gift card purchases. The member isnt willing to establish his identity and login activity shows attempts to conceal his device and IP address. Deny The member likely is both acting as the buyer and the seller and is attempting to double spend the gift card transactions. The member is not acting in good faith and is liable.

</tbody> </table> <h3>Unauthorized Disputes Email responses</h3>

Dispute approved email Subject: You received a credit to your spendable funds Hi [Callers name],

 Thank you for reporting the issue with your spendable funds.
 We reviewed your case details and have credited your spendable funds in the amount of [\$USD].
 You should see the amount reflected in your balance and the details in your All transactions view.

 Thanks for your patience.

 [Agent name]
 eBay Customer Support Dispute denied email Subject: Outcome of your spendable funds issue
 Hi [Callers name],

 Thank you for reporting the issue with your spendable funds. We have reviewed your case details. Unfortunately, we do not provide a credit for the situation described in your case and your case is now closed.

 Thanks for your patience.

 [Agent name]

eBay Customer Support <h3>Split Payment Dispute Process</h3> Payments Front Office Split Payment Disputes Process When a member uses split payments (spendable funds & other financial instruments) to purchase an item, and an external dispute was granted to the buyer, the refund of the spendable funds will be processed automatically (for less or equal \$2000). In case customers contact us to report that they haven't received the full refund (spendable funds portion missing), please file a bug ticket once you confirm that it wasn't processed automatically for spendable funds less or equal \$2000. If it's higher than \$2000, send an email to DL-eBay-SV-Unauth-Core-Team@ebay.com using the template below (this email is an internal email address, don't share it with customers):

Email Template Member's User ID (Oracle ID): Order ID: Item Number: Transaction ID: Currency: Amount to be refunded: Dispute ID (Case ID): Important: Before submitting the bug ticket or sending the email to the DL, make sure to check the requirements that qualify for it > see GUIDE1520 (Section 11.2 Spendable funds used in a split payment chargeback). To check if external payment dispute was granted to the buyer:

- In Quick Member Lookup in AD, search by Order ID
- For the Seller, click on the Send to Embg Returns icon
- In the left menu, select Payment Disputes
- Locate the dispute below and click on Dispute ID number
- Review Reason For Closure for NOT one of the following:

- UNKNOWN
- SELLER WIN
- SELLER WIN REVERSED

Unauthorized Disputes MAC Note template

Unauthorized Disputes MAC Note template Member reported unauthorized use of their eBay account, which has resulted in ATO action to secure and restore the account. Use of spendable funds occurred during the confirmed ATO dates. Additional review completed by Payments Risk Investigators for potential refunds if spendable funds were or were not used without authorization on purchases. Check GUIDE1770 for details. Decision: Approved/ Denied Case Comments: Additional Spendable Funds Data ATO Start Date: Date Created of associated ATO MAC Note: Subject line of associated ATO MAC Note: Reported Spendable Fund Item Numbers:

Account Recovery

--	--

Account Recovery

- For opted in Spendable Funds accounts only.
- For members unable to complete 2FA due because the email address and phone number on file is no longer valid.
- Handled by e2M Premium Services.
- Contact may be from bad actor, so may not be member...

Step 1. Is this an initial contact or has the user already contacted eBay with a spendable funds account recovery request? (Check SRs)

src="https://cskb.qa.ebay.com/library/EBAY/Images/quicklinks/plus25.PNG" width="16"> If Yes...Continue to Step 2 If No...Check MAC notes for updates on request</td></tr></td> Step 2. Does the user have access to the email address or phone number on file? </td></td> If Yes...Assist member to reset password and potentially complete 2FA using online remedy options If No...Continue to Step 3</td></tr></td> Step 3.</td></td> Open Shato,, select Account Recovery > MFA Account Recovery and enter User ID.Continue to Step 4 It is critical that current email and/or phone number on file not be disclosed to users. Be diligent and follow privacy requirements due to potential social engineering situations. </td></tr></td> Step 4. Verify email address with user</td></td>Document email address in CommentsDocument in Comments if email address needs to be changed or not.Continue to Step 5 </td></tr></td> Step 5. Verify phone number with user & ensure it is a cell phone. Only cell phones can be used to 2FA </td></td>Document phone number in CommentsDocument in Comments if phone number needs to be changed or not.If the phone number needs to be changed, ensure the new number is a cell phone. Only cell phones can be used for 2FA, which is required for Spendable Funds. Press submit

and continue to Step 6

Step 6.
Inform the member the service level is 3 business days

##