

Managed Payments - Transaction Risk

<h2>GUIDE.TALKING_POINTS Why are you blocking my transaction? Internal Information

- Make sure that there is a block in LVIS before answering this, as we may not be blocking it at all. Once you have confirmed a block, go ahead with the talking point.

- We want to make sure that eBay is a safe and secure environment for you and that all your purchases are secure. Occasionally our system may detect issues that cause concern. In those situations, we will occasionally block a transaction from occurring.(transition into workflow for resolution)

Why do I have to keep calling to fix this? OR I have been on eBay for years and now I have to call every time I need to make a purchase.

- I apologize for the inconvenience. Let me check your account and see. These types of blocks shouldn't be common.

Internal Information

- Check to see if the member is experiencing multiple TRISK holds or if its unrelated. If a member is legitimately getting TRISK blocks consistently, please escalate to your leadership to safelist the member.

- I've called my bank and there's nothing wrong with it going through.

- I appreciate you going through the effort of already contacting your payment method. Blocks are not always about a card being "good" and can be for a number of different reasons. Let's check and see what's going on and how to resolve this issue.

Internal Information

- Teammate: start going through workflow

- I've waited 24 hours and I still can't pay for the item.

- I apologize for that wait. Let me see if there is some other issue going on.

Internal Information

- See if this issue is TRISK or something else. If there is an open issue 695 and there is still a checkout error like Intermediated_Instrument_Declined or Intermediated_Instrument_Refused, then that means that their payment method is blocking the transaction directly.

Why can't I purchase this item on eBay?

- I suggest looking for a different item as we are unable to complete the transaction for this specific item.

<h2><h2>GUIDE.DETAILED_INFORMATION Internal

Information

- Transaction risk assessment is mainly based on suspicion of fraud.
- Payment attempts with high levels of suspicion get blocked/declined.

The drawback of this process is that good users who exhibit a certain behavior also get blocked or declined.

False Positive Ratio is the key metric to track performance of declines strategy, and what percentage of good users are being impacted.

A particular transaction can get declined due to following reasons:

- Internal risk checks
- Risk Vendor - Foster / Signifyd
- Rules / Models
- Processor / Issuer - Card Networks, PayPal or RatePay

We have control over transaction declines from internal risk checks and can override decisions and actions to enable experience for good users.

If a transaction is being blocked by the financial institution and not our internal risk models, please consult <https://cskb.vip.ebay.com/csKBapp/art?page=content&id=GUIDE1635>;GUIDE1635

There are two main queues we work for Transaction Risk.

The two queues are:

- Business Enablement Declines (Transaction Risk Declines)- Declines where we feel the risk is low. If a member contacts us about a transaction decline and this rule is triggered, we want to give trained, specialty teammates the opportunity to overturn the transaction/checkout decline. This new intake has the opportunity to help users who were blocked who maybe should have not been.
- Refer to Transaction Risk Declines when:

- Account less than 90 days old
- Transaction amount exceeds \$500
- LVIS rule block contains CardTesting even if listing price is less than \$500
- LVIS Rule does not include the language GCX DO NOT OVERRIDE WITH ISSUE 695

The block is related to VAULT as seen in the language of the block in

LVIS

- Strong Declines (Account Action & Transaction Decline) - Declines where we believe additional action should be taken on the account (or linked accounts) not just the decline of a transaction.
- Note: You may see an additional queue in Shato called Delayed Capture - High Risk. This is a pilot queue we built to help us learn how best to help prevent loss while enabling business. These are transactions that have completed but we feel it necessary to have a more in depth look to ensure teammate alignment.
- Referrals to this queue are automated and teammates should not send Shato referrals to this queue.

Forter Decline Reason Codes

Decline Reason Codes	Description
SuspiciousActivityIndicatedByMerchant	Feedback from eBay suggested this buyer or a strongly linked buyer is fraudulent
GiftCardMerchantPolicy	Decline due to ebay's gift card policy
SuspectedAccountTakeOver	Account may have been taken over by a fraudster
SuspiciousPastActivity	Stolen financials; Prior history of suspicious activity on eBay or on the Forter network
HidingIdentity	Stolen financials; technological attempt to hide identity (spoofing, etc)
SuspiciousBehaviour	Suspicious web activity detected during the customers browsing session
MissingData	Not a decline reason; would indicate missing data in an order
DeclinedByProcessor	Processor decline
DecisionByPolicy	Declined based on policy Forter is enforcing on behalf of eBay (*No such declines currently on eBay)

<td>MerchantTransaction</td> <td>Order Approved/Not reviewed because it was made by an eBay employee (*No such decisions on eBay)</td> </tr> <tr> <td>ListenMode</td> <td>Only applies to the period of time before Forter is live where we are listening but not providing decisions (could be used in the case of adding a new segment and having a brief period of "listening")</td> </tr> <tr> <td>RiskyVelocity</td> <td>When a customer is being declined due to a Risky Velocity, it means that the amount or rate of purchases they presented with seems suspicious given their reputation across the Forter network.</td> </tr> <tr> <td>AccountHistoryShowsChargebacks</td> <td>History of chargebacks linked to the account </td> </tr> <td>SuspectedAssociationWithChargebacksOnWebsite</td> <td>Link to account that has chargebacks on eBay </td> </tr> <td>SuspectedAccountTakeoverNoHistoricalDataReceived</td> <td>Suspected ATO based on fraudulent activity in old account, but we can't compare it to the user's history as we have never seen an order from them; this is decreasing in use as we are getting more and more data and learning more</td> </tr> </tbody> </table> Disposition Packages - Use Cases <table border="1" cellpadding="2" cellspacing="0"> <tbody> <tr bgcolor="c2dfff"> <td>DP - Type</td> <td>DP - Name</td> <td>Explanation </td> </tr> <tr> <td rowspan="3">Trisk Declines BE Disposition Packages </td> <td>TRISK Appeal accepted </td> <td>A 695 would be dropped in this case as we have reason to believe the user should be allowed to purchase the item. </td> </tr> <tr> <td>TRISK Appeal denied</td> <td>After reviewing the case we agree with the decision to block the transaction. As a result, no further action is appropriate. </td> </tr> <tr> <td>TRISK Appeal denied - Case Referral</td> <td>After reviewing the case we agree with the decision to block the

transaction however systemic concerns were identified. The buyer will be referred to a separate queue for account level action.

Account Action	Transaction Decline Disposition Packages	SD Block Indefinite	SD End All Transactions - Collusion	SD Persist Bids - POI	SD Persist Trans - Blacklist Financial	TRisk	SD Suspend	Blacklist Financial	SD Appeal Denied	SD Appeal Granted - Incorrect Action	SD Appeal Granted - Requirements met	No Action
	Upon review of the account there is enough risk the account cannot be rehabilitated however have enough positive selling behavior they should be allowed to continue without buying privileges.		The account should be restricted as there is clear evidence the buyer and seller are the same person and attempting to circumvent existing eBay risk policies leading to potential financial losses.	At the time of review additional insights are needed to verify this is a legitimate buyer. As a result the account has the bidding limit dropped to 0 to force the user to verify their identity through KBA within 14 days. After that time if the member does not contact us the account is suspended.	An account was identified having stolen financials however may be as a result of ATO. This should be taken and the account secured with a supplemental ATO action. (future state when ATO DPs will be in the queue this second case will not be necessary)			An account was identified with confirmed stolen financials and clear identity concerns	An appeal was received and after reviewing the case was decided to not to accept. A parting of ways should be provided to the member.	An appeal was received and an appeal was accepted due to a concern the original action was not appropriate.	An appeal was received and an appeal was accepted due to the buyer resolving the concern causing a restriction to be placed up front.	

Not enough evidence to warrant action.				
Delayed	Capture	-	High	Risk
Packages				
Appeal Denied				
An appeal was received and after reviewing the case was decided not to accept. A parting of ways should be provided to the member.				
Appeal granted - incorrect Action Taken				
An appeal was received and an appeal was accepted due to a concern the original action was not appropriate.				
No Action				
Not enough evidence to warrant action.				
DC Block Indefinite				
Upon review of the account there is enough risk the account cannot be rehabilitated however have enough positive selling behavior they should be allowed to continue without buying privileges.				
DC End Selected Transaction - Collusion				
The account should be restricted as there is clear evidence the buyer and seller is the same person and attempting to circumvent existing eBay risk policies leading to potential financial losses.				
DC Persist Bids - POI				
At the time of review additional insights are needed to verify this is a legitimate buyer. As a result the account has the bidding limit dropped to 0 to force the user to verify their identity through KBA within 14 days. After that time if the member does not contact us the account is suspended.				
DC Persist Trans - Blacklisted Financial				
An account was identified having stolen financials however may be as a result of ATO. This should be taken and the account secured with a supplemental ATO action. (future state when ATO DPs will be in the queue this second case will not be necessary).				
DC Suspend - Blacklist Financial				
An account was identified with confirmed stolen financials and clear identity concerns.				
Trisk Appeal granted - Requirements met				
An appeal was received and an				

appeal was accepted due to the buyer resolving the concern causing a restriction to be placed up front.

--

GUIDE.SUMMARY

What As part of Payments 2.0, eBay has decided to intermediate payments using new payment processors. Prior to this change, PayPal facilitated payments processing for eBay. Additionally, PayPal was responsible for risk assessmentspecifically, transaction risk assessment for buyers. In a 2.0 world, eBay will be responsible for doing transaction risk assessment. Transaction Risk is a new policy facilitated by eBay in the Managed Payments environment designed to prevent bad buyers from causing financial loss while encouraging good users to better use our marketplace. Transaction risk assessment is mainly based on suspicion of fraud. Transaction attempts with strong suspicion are blocked/declined. Teammates will use two new queues to triage issues surrounding transaction risk: Business Enablement Declines and Strong Declines. Consult this guide's E2M Account Workflow section to learn more details about each queue.

##