

Dispute Best Practices

A Merchant's User Guide
to Help Manage Disputes*
October 2021

*For Global Disputes, excluding PaySecure Back-End Merchants.

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Chargeback Overview

A chargeback occurs when the Customer or the Customer's bank challenges all or part of a purchase. An adjustment may be applied to your account.

There are various reasons that a transaction can be disputed and returned through the chargeback process. However, the Customer's bank must first confirm that a chargeback right applies. The networks have rules outlining rights and processing requirements for the Customer's bank and for you. The Customer's bank is responsible for ensuring that the chargeback is submitted using the correct reason code within the predetermined timeframe. The bank must provide all required documentation and meet all regulatory requirements.

When submitting a rebuttal to a chargeback, you must respond by the chargeback due date and provide a full explanation of why you think the chargeback is invalid and the original transaction is valid. You must include all pertinent, supporting documentation. Although the chargeback may be reversed if the explanation and documentation are sufficient, reversals are conditional. The Customer's bank may continue to dispute the case by processing an exception item such as a pre-arbitration.

You should not issue a credit after you have received notification of a dispute because the Customer's bank may have applied a conditional credit to the Customer's account. You may not be able to recover a credit after a chargeback has been received if you issue a credit in these circumstances; in fact, you may be responsible for the credit and chargeback.

This guide will provide you with strategies to avoid dispute and to defend yourself against dispute. However, the two most important points to remember for all disputes:

1. Follow all instructions provided on the chargeback notification and respond by the due date.
2. Respond to all retrieval requests within the required timeframe with all appropriate transaction documentation.

Merchant Response Timeframes

Credit/Signature Debit

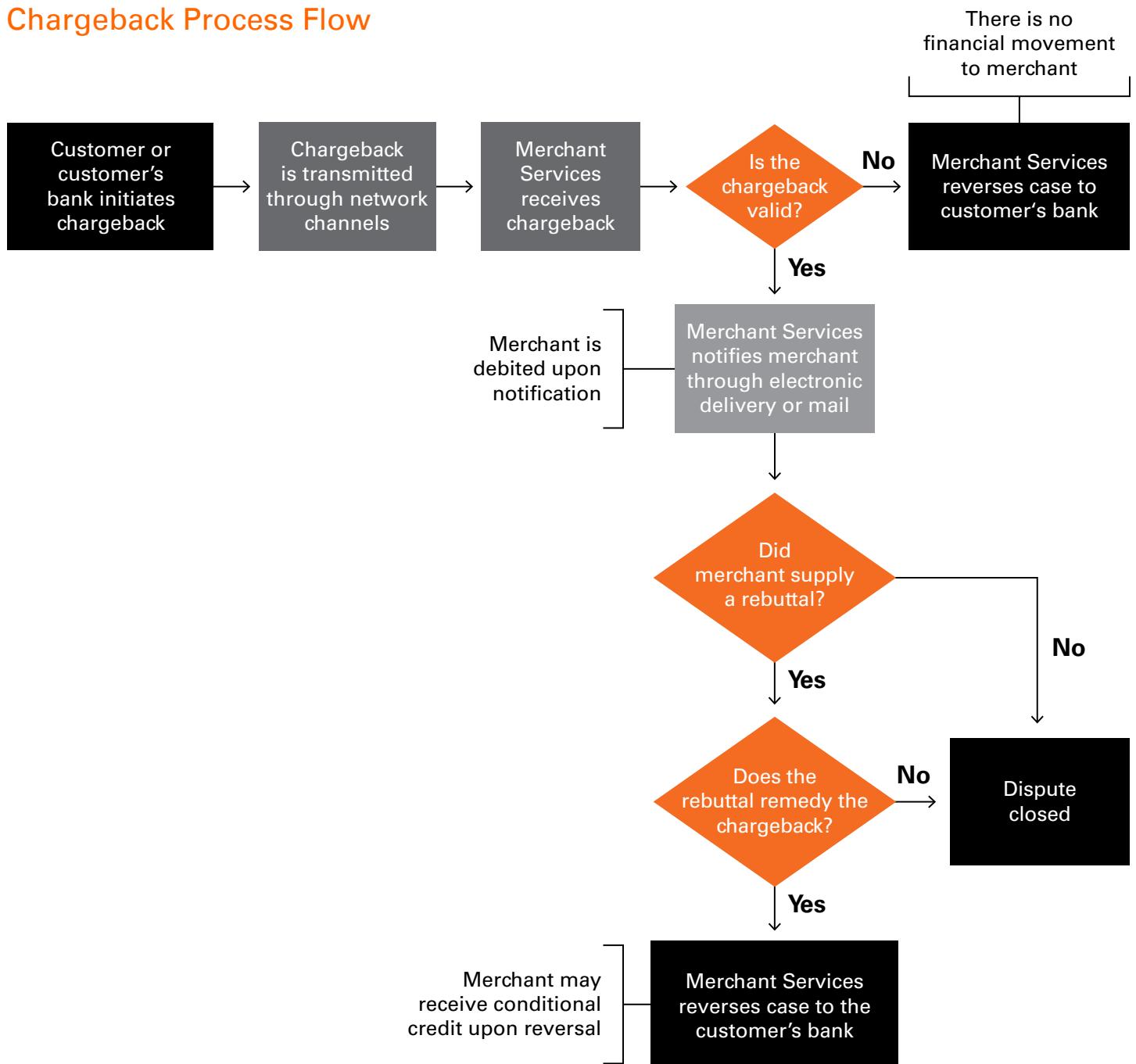
Payment Network	Retrievals	Chargebacks	Exceptions
American Express	12 Calendar Days	14 Calendar Days	N/A
All Others	20 Calendar Days	15 Calendar Days	14 Calendar Days

PIN Debit

Payment Network	Retrievals	Chargebacks	Exceptions
EBT	6 Calendar Days	6 Calendar Days	N/A
All Others	10 Calendar Days	10 Calendar Days	10 Calendar Days

Payment Network	Inquiry	Claim	Chargeback
PayPal Debit Network	15 Calendar Days	5 Calendar Days	5 Calendar Days (if appeal is applicable)

Chargeback Process Flow



Chargeback Reason Codes

Fraud – Card-Not-Present (CNP)

Network	Reason Code	Bank Initiation Timeframe
Accel	81	120 calendar days from transaction processing date
American Express	FR2, F14, F24, F29	120 calendar days from transaction processing date
Discover	4752 AA, 7030 UA02	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
Maestro	37, 63	120 calendar days from transaction processing date
Mastercard	37, 63	120 calendar days from transaction processing date
Maestro/Mastercard	49	120 calendar days from transaction processing date or 120 calendar days from date of Global Security Bulletin publication that first listed the merchant location
NYCE	F2, F3, F4, F5, F6, UF	180 calendar days from transaction processing date.
PULSE	4540	120 calendar days from transaction processing date
PULSE	4752	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
PULSE	4868	Within 60 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
SHAZAM	4514, 4546	180 calendar days from transaction processing date
STAR	4	120 days from transaction processing date
STAR	6000	120 days from transaction processing date
STAR Sig Debit	7000	120 calendar days from transaction processing date
Visa	1040	120 calendar days from transaction processing date
Visa	1050	120 calendar days from identification of Visa fraud monitoring program

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The merchant has processed a transaction in a CNP environment. The Customer is claiming that the transaction was processed without Customer permission or with a fictitious account number.

What Can You Do to Avoid a CNP Dispute?

- Participate in a fraud protection program* for electronic commerce transactions
- Obtain a positive AVS (Address Verification Service) response and ship merchandise to the confirmed address
- Obtain authorizations for all transactions
- Implement internal fraud prevention policies and procedures for suspicious activity
- Ensure merchant descriptor matches the name of the business and is displayed correctly on the Customer statement
- Revoke any sale or exchange of goods/services when appropriate after a prior fraud dispute and implement a process to prevent recurrence by Customer

How Can You Defend Yourself Against a CNP Dispute?

- Prove that a fraud protection program* was utilized for electronic transactions
- Prove that a credit which directly offsets the disputed charge has already been processed
- Provide compelling evidence that the Customer participated in the transaction
- Supply a legible copy of the transaction document/information to assist Customer in recognizing the transaction and include a brief description of the goods or services and a valid authorization code
- Provide proof that merchandise was shipped to an AVS confirmed address
- Provide a valid POD

*Fraud protection programs improve the security of payment transactions in the electronic commerce environment over open networks. They are designed to increase Customer and merchant confidence in internet purchases, as well as to reduce dispute and fraudulent activity related to payment cards. Examples of fraud protection programs are listed below:

Visa 3D Secure

Mastercard SecureCode

Discover ProtectBuy

American Express SafeKey

Compelling Evidence Overview

Compelling evidence is supporting information used to prove a chargeback is invalid, the original transaction is valid and that the merchant followed policies and procedures when processing the transaction.

According to network regulations, compelling evidence is not a remedy for a chargeback; however, compelling evidence will be strongly considered when a Customer’s bank is deliberating the validity of a chargeback.

Compelling evidence is primarily used to defend claims of fraud in a CNP environment. Some networks will allow merchants to use compelling evidence to respond to Customer dispute with specific reason codes.

It is important to remember that providing compelling evidence does not provide a remedy; therefore, the Customer’s bank may continue to dispute the case by processing an exception item such as a second chargeback or a pre-arbitration.

Note: See individual reason code guidelines for what documentation can be used for compelling evidence.

What Can I Supply As Acceptable Compelling Evidence?

Fraud – CNP

Evidence Type	What Could be Supplied
Sales draft showing Customer’s name that matches Customer letter	Signed sales draft by Customer
Evidence of one or more non-disputed payments for same merchandise or service	ARN and transaction date and at least one of the following: <ul style="list-style-type: none"> → IP address → Email address → Physical address → Phone number
Proof of authorized signer known by Customer	Documentation that proves signer is a member of Customer’s household or family
Signed mail order/phone order form	Copy of original order information
Legitimate spend across multiple payment types for same merchandise	Invoice proving transaction processed for full amount across multiple payment types and other payment types not in dispute

Fraud – Card-Present (CP)

Network	Reason Code	Bank Initiation Timeframe
Accel	81	120 calendar days from transaction processing date
American Express	F10, F14, F24, F30, F31, FR2	120 calendar days from transaction processing date
Discover	4752 AA, 4866 UA05, 4867 UA06, 7010 UA01	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
Interlink	1010	120 calendar days from transaction processing date
Maestro	37, 40, 63, 70, 71	120 calendar days from transaction processing date
Mastercard	37, 40, 63, 70, 71	120 calendar days from transaction processing date
Maestro/Mastercard	49	120 calendar days from transaction processing date or 120 calendar days from date of Global Security Bulletin publication that first listed the merchant location
NYCE	CC, CL, F1, F2, F3, F4, F5, F6, UF	180 calendar days from transaction processing date
PayPal Network	10	180 calendar days from transaction processing date
PULSE	4537, 4540, 4866, 4867	120 calendar days from transaction processing date
PULSE	4752	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
SHAZAM	4514	180 calendar days from transaction processing date
	4526	180 calendar days from transaction processing date
	4527	180 calendar days from transaction processing date
	4870	180 calendar days from transaction processing date
	4534	180 calendar days from transaction processing date
STAR	4	120 calendar days from transaction processing date
STAR	6000, 6500	120 calendar days from transaction processing date
STAR Sig Debit	6000	120 calendar days from transaction processing date
Visa	1010, 1020, 1030	120 calendar days from transaction processing date

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The merchant has processed a transaction in a CP environment. The customer is claiming that the transaction was not authorized.

What Can You Do to Avoid a CP Fraud Dispute?

- Capture all transactions by chip reading the card or obtaining a magnetic swipe and when applicable, obtain a PIN
- Implement internal fraud prevention policies and procedures for suspicious activity

How Can You Defend Yourself Against a CP Fraud Dispute?

- Supply a sales draft with proof that the transaction was electronically captured
- Provide evidence that the transaction was processed using a PIN-enabled terminal; however, the Customer presented a non-PIN

Visa Only Merchants can challenge Reason Code 1010 – EMV Liability Shift Counterfeit Fraud and Reason Code 1030 – Other Fraud – Card Present Environment for key-entered transactions processed at non-chip terminals with the following compelling evidence: Evidence of another payment on the same card which was undisputed and/or Evidence of the Customer's identification and signed copy of the receipt, contract or invoice which links the identification presented by the Customer.

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No Valid Authorization

Network	Reason Code	Bank Initiation Timeframe
Accel	72	75 calendar days from transaction processing date
American Express	A01, A02, A08, P01	120 calendar days from transaction processing date
Discover	4863 AT	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
Maestro	07, 08, 12	90 calendar days from transaction processing date
Mastercard	07 (Merged with MC 08 Authorization Related Chargeback) 08 12 (Merged with MC 08 Authorization Related Chargeback)	90 calendar days from transaction processing date
NYCE	CB	180 calendar days from transaction processing date
PULSE	4863	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
STAR	14, 16	30 calendar days from transaction processing date
STAR	2000	75 calendar days from transaction processing date
STAR Sig Debit	2000	75 calendar days from transaction processing date
Visa	1110, 1120, 1130	75 calendar days from transaction processing date
SHAZAM	4521	180 calendar days from transaction processing date
	4522	180 calendar days from transaction processing date
	4535	180 calendar days from transaction processing date
	4533	180 calendar days from transaction processing date

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer’s Bank Disputing the Transaction?

The Customer’s bank is claiming that the transaction was processed without sufficient electronic authorization or account verification.

What Can You Do to Avoid an Invalid Authorization Dispute?

- Obtain valid six-digit authorization code for all transactions, including credits
- Discontinue processing a transaction when a declined authorization has been received
- Avoid splitting transaction amounts into separate, smaller amounts to obtain authorizations after a “Decline” has been received
- Avoid processing an authorization for more than the allowed tolerance level for the applicable MCC. The following are examples of tolerance levels:
 - Restaurants are allowed a 20 percent variance between the authorized amount and the amount processed
 - Cruise lines, lodging and vehicle rental industries are allowed a 15 percent variance between the authorized amount and the amount processed
- Validate card has not expired by checking the expiration date on the card presented for the transaction
- Avoid processing a transaction past the allowable authorization timeframe (the timeframe depends on the type of authorization)

Visa	Mastercard	Discover	AMEX
→ Card Present Transactions: Same Day as Authorization Approval	→ Final Authorizations: 7 Calendar Days	→ For T&E MCCs: 30 Calendar Days	→ 7 Calendar Days
→ Card Not Present: 7 Calendar Days	→ Pre/Undefined Authorizations: 30 Calendar Days	→ All Other MCCs: 10 Calendar Days	
→ Cruise Line, Lodging, Vehicle Rental Merchants: 31 Calendar Days for Estimated Authorization Approvals			

How Can You Defend Yourself Against an Invalid Authorization Dispute?

- Provide documentation supporting that the transaction was processed using a chip terminal and that the transaction was authorized
- Provide proof that the card had not expired on the transaction date
- Provide proof that the charge was incurred prior to the card expiration date
- Provide proof that a valid 6-digit authorization approval was obtained and the date of the authorization approval

Credit Not Processed

Network	Reason Code	Bank Initiation Timeframe
Accel	85	120 calendar days from transaction processing date
American Express	C02, C04, C05	120 calendar days from transaction processing date; from date credit is due based on the written acknowledgment from the merchant; or from date merchandise or services were canceled, refused or returned
Discover	8002 RN2	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from processing date of the transaction, whichever is greater
Interlink	1360	120 calendar days from transaction processing date
Interlink	1370	120 calendar days from transaction processing date. Before initiating a dispute, the issuer must wait 15 calendar days from the date the merchandise was returned, or services were canceled. Note – The waiting period does not apply if this will cause the dispute to exceed the issuer initiation timeframe
Maestro	60	120 calendar days from transaction processing date
Mastercard	53, 60	120 calendar days from the date service was canceled or the goods were returned, not the date of the original transaction.
PayPal Network	30	180 calendar days from transaction central processing date
PULSE	4560	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from processing date of the transaction, whichever is greater
SHAZAM	1380, 4513	180 calendar days from transaction processing date
STAR	5000	120 calendar days from transaction date, date of credit receipt or date of Customer claim with the issuer if the receipt is not dated
Visa	1360	120 calendar days from transaction processing date or date on credit receipt, not to exceed 540 calendar days from the transaction date or date on the credit receipt
Visa	1370	120 calendar days from transaction processing date; date the Customer received or expected to receive the merchandise or services, not to exceed 540 calendar days from the transaction processing date; or, if an adjustment of a PIN-authenticated Visa debit transaction, the date of the adjustment Before initiating a dispute, the issuer must wait 15 calendar days from the date the merchandise was returned, or services were canceled. Note – The waiting period does not apply if this will cause the dispute to exceed the issuer initiation timeframe

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The Customer is claiming that a credit was not issued even though the merchant issued a credit transaction receipt or provided a refund acknowledgment. Or, the Customer is claiming that a credit was not issued even though the merchandise was returned or the services were canceled.

What Can You Do to Avoid a Credit-Not-Processed Dispute?

- Disclose the refund policy for returned/canceled merchandise or services to the Customer at the time of the transaction
 - In a CP environment, the Customer must sign the transaction receipt containing the disclosure
 - In an electronic environment, provide disclosure on the website on the same page as the check-out and require the Customer to “click to accept” the disclosure prior to completion of the transaction
- Issue credit to the Customer for the correct amount, in a timely manner and on the same account as the purchase
- Ensure delivery of the merchandise or services ordered to the Customer on or before expected delivery date
- Process all transactions using the proper transaction code

How Can You Defend Yourself Against a Credit-Not-Processed Dispute?

- Show that a credit is not due by providing proof that the disclosure was accepted by the Customer at the time of the transaction
- Provide an explanation of why the credit is not due



Services/Merchandise Defective or Not As Described

Network	Reason Code	Bank Initiation Timeframe
Accel	53	120 calendar days from transaction processing date
American Express	C31, C32, M10	120 calendar days from transaction processing date
Discover	4553 RM	30 calendar days from the close date of the TRR if a TRR was processed or 120 days from the processing date of the transaction, whichever is greater; For counterfeit merchandise, up to 120 days from the date that the notification of the counterfeit merchandise was received, not to exceed 540 days from processing date; For misrepresentation of terms of a purchase, up to 120 days from the date scheduled for the last delivery of goods or services to the Customer, not to exceed 540 days from processing date
Interlink	1330, 1340, 1350	120 calendar days from transaction processing date
Maestro	53	120 calendar days from transaction processing date or 120 calendar days from delivery date of the goods or services (ongoing interrupted services only), not to exceed 540 days from processing date
Mastercard	53	120 calendar days from transaction processing date or 120 calendar days from delivery date of the goods or services (ongoing interrupted services only), not to exceed 540 days from processing date
NYCE	A4	180 calendar days from transaction processing date
PayPal Network	21	180 calendar days from transaction processing date
PULSE	4553	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
SHAZAM	4532, 4553	180 calendar days from transaction processing date
SHAZAM	4531	180 calendar days from transaction processing date
STAR	4000	120 calendar days from the transaction processing date or the date the service or merchandise was received, not to exceed 540 calendar days from the original transaction date.
STAR Sig Debit	4000	120 calendar days from the transaction processing date or the date the service or merchandise was received, not to exceed 540 calendar days from the original transaction date
Visa	1330, 1340, 1350	120 calendar days from transaction processing date or the date Customer received merchandise; 60 calendar days from receipt date of the first Customer notification to the issuer, if there is evidence of ongoing negotiations with the merchant and negotiations occurred within 120 days of the transaction processing date; Dispute processing date can be no more than 540 calendar days from the transaction processing date

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The Customer is claiming that the goods or services received were not as described on the transaction receipt or other documentation presented to the Customer at the time of the purchase or that the merchandise was received damaged, defective or otherwise unsuitable for the purpose sold.

What Can You Do to Avoid a Services/Merchandise Defective or Not As Described Dispute?

- Provide merchandise or services as described to the Customer
- Obtain the Customer's signature to validate that the merchandise was received in good condition
- Resolve the issue with the Customer at first contact, if the Customer received defective merchandise or the merchandise received was not as described
- Make sure accommodations are available to the Customer as reserved
- Ensure that Customer is aware that returned merchandise must be in same condition as it was when received

How Can You Defend Yourself Against a Services/Merchandise Defective or Not As Described Dispute?

- Provide a written rebuttal addressing all of the Customer's concerns and include copies of all transaction receipts order forms, invoices or contracts if applicable
- Supply evidence that Customer was aware that the merchandise was purchased in "as is" condition (signed disclosure, screen print for electronic environment or Customer's admission they purchased merchandise "as is")
- Provide proof that replacement merchandise was shipped
- Provide a shipping date, if replacement merchandise is in the process of being shipped
- Supply proof that the goods/services were not returned to the merchant
- Supply proof that an attempt was made to repair or replace damaged or defective goods or provide replacement services
- State how Customer did not comply with the clearly documented cancellation policy, return policy or applicable law if merchandise was returned or services canceled
- Document in a rebuttal that even though the Customer states that defective or not as described merchandise was returned, there is no record of receiving the merchandise

Services Not Provided; Merchandise Not Received

Network	Reason Code	Bank Initiation Timeframe
Accel	30	120 calendar days from transaction processing date
American Express	C08	120 calendar days from transaction processing date or from either the expected date of receipt of goods or services or from date Customer became aware that the expected goods or services would not be provided, whichever date occurs first. Timeframe cannot exceed 540 days from transaction processing date
Discover	4755 RG	120 calendar days after the scheduled delivery date agreed upon between the Customer and the merchant, but not more than 540 calendar days from transaction processing date. (If delivery date was not provided or agreed upon, timeframe is 120 days from transaction processing date). If Customer's bank processed a TRR, the bank will have an additional 30 days from the close date of the TRR to initiate the dispute or the 120 calendar days from transaction processing date, whichever is greater
Interlink	1310	120 calendar days from transaction processing date
Maestro	55	120 calendar days from transaction processing date or the date Customer expected to receive the merchandise or services
Mastercard	55 (Merged with MC 53 – Customer Dispute)	120 calendar days from transaction processing date or 120 calendar days from the expected delivery date of goods or services (applies to ongoing interrupted services only). The maximum timeframe is 540 days
NYCE	A3	180 calendar days from transaction processing date
PayPal Network	20	180 calendar days from transaction processing date
PULSE	4555	120 calendar days from transaction processing date
SHAZAM	1387, 4554, 4555	180 calendar days from transaction processing date
	4758	180 calendar days from transaction processing date
STAR	18	20 calendar days from transaction processing date
STAR	4000	120 calendar days from transaction processing date or 120 days from the date services/merchandise were expected to be received, not to exceed 540 calendar days from original transaction
STAR Sig Debit	4000	120 calendar days from transaction processing date or 120 days from the date services/merchandise were expected to be received, not to exceed 540 calendar days from original transaction
Visa	1310	120 calendar days from transaction processing date or 120 days from the last date services/merchandise were expected to be received, not to exceed 540 calendar days from original transaction
	1390	120 calendar days from transaction processing date

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The Customer is claiming that the services were not provided or that the merchandise was never received.

What Can You Do to Avoid a Service Not Provided; Merchandise Not Received Dispute?

- Provide services/merchandise as agreed upon to the Customer
- Contact the Customer in writing, if the merchandise or service cannot be provided or is delayed
- Offer the Customer the option to cancel, if your internal policies allow
- Indicate the expected delivery date on the transaction receipt or invoice
- Deliver the merchandise to the specified location by the expected delivery date
- Issue credit to the Customer, if you are unable to deliver merchandise or provide services

Note: Do not issue credit after chargeback has been received.

- Obtain signed POD for shipped merchandise
- Charge the Customer after the merchandise is shipped
- Issue refunds as applicable, when you cancel the services
- Make sure accommodations are available to the Customer as reserved
- Ensure the Customer has been billed only once, if alternate accommodations are provided

How Can You Defend Yourself Against a Service Not Provided; Merchandise Not Received Dispute?

- Provide a signed POD for shipped merchandise
- Provide a written rebuttal addressing all of the Customer's concerns and providing proof that services were:
 - Rendered in full
 - Available but were refused by the Customer
 - Provided and acknowledged by the Customer
 - Available but were not utilized by the Customer
- Supply form/waiver signed by the Customer that allows packages to be left at the Customer's residence without requiring a signature and provide an unsigned POD
- Provide a rebuttal addressing the Customer's claims, if Customer states that merchandise was returned but was not received

- Provide proof that services were rendered or merchandise was received by Customer
- Provide one of the following for Internet Electronic Delivery:
 - Proof that the Customer’s IP address at the time of purchase matches the IP address where the digital goods were downloaded
 - Proof that the Customer’s email address at the time of purchase matches the email address used to deliver the digital goods
 - Proof that the merchant’s website was accessed by the Customer for services after the transaction

What Can I Supply As Acceptable Compelling Evidence?

Services not provided; merchandise not received.

Evidence Type	What Could Be Supplied
→ Documentation to prove the Customer is in possession of and/or using the merchandise	<ul style="list-style-type: none"> → Signed delivery form or pick-up form → Copy of Customer ID presented when goods were picked up
→ AVS of Y or M with POD to matched AVS address	→ Tracking details and documentation such as matching physical address, date/time delivered, signature and so on
→ Photographs or emails to prove the link between person receiving merchandise of services	<ul style="list-style-type: none"> → Email exchange with Customer admitting possessing of merchandise → Internal photographs from business → Other publicly available photographs of Customer utilizing merchandise or services
→ Digital goods download detail	<ul style="list-style-type: none"> → Download date and time and at least two or more of the following: <ul style="list-style-type: none"> → Purchaser IP address and device geographic location → Device ID and device name → Purchaser name and purchaser email → Proof of profile setup or application access supplied → Proof of merchant website or application access supplied → Same device and previous transaction on same card not disputed – provide ARN and transaction date
→ Customer confirmation of registration to receive electronic delivery of goods or services	→ Email address and other linking information to Customer

No-Shows

Network	Reason Code	Bank Initiation Timeframe
American Express	C18	120 calendar days from transaction processing date; from date goods or services were canceled, refused or returned by Customer; or from date of merchant's written acknowledgement of credit due
Mastercard	59 (Merged with MC 53 – Customer Dispute)	120 calendar days from transaction processing date or 120 calendar days from the delivery date of goods or services (applies to ongoing interrupted services only). The maximum timeframe is 540-days
Visa	1370	120 calendar days from transaction processing date; date the Customer received or expected to receive the merchandise or services, not to exceed 540 calendar days from the transaction processing date; or, if an adjustment of a PIN-authenticated Visa debit transaction, the date of the adjustment

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The Customer is claiming that a No-show transaction was billed to their account or that an addendum charge was added to an original valid transaction from the same merchant.

What Can You Do to Avoid a No-Show Dispute?

- Ensure Customer is aware of cancellation policy at the time of the reservation
- Issue credit upon cancellation of reservation by the Customer
- Provide a cancellation number for all cancellations

How Can You Defend Yourself Against a No-Show Dispute?

- Prove that the cancellation policy was properly disclosed to the Customer at the time of the reservation
- Provide a rebuttal of the validity of the cancellation code

Canceled Recurring Transaction

Network	Reason Code	Bank Initiation Timeframe
American Express	C28	120 calendar days from transaction processing date
Discover	4541 AP	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
Maestro	41	120 calendar days from transaction processing date
Mastercard	41 (Merged with MC 53 – Customer Dispute)	120 calendar days from transaction processing date or 120 calendar days from the delivery date of goods or services (applies to ongoing interrupted services only). The maximum timeframe is 540 days.
PayPal Network	34	180 calendar days from transaction processing date
PULSE	4541	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
SHAZAM	4544	180 calendar days from transaction processing date
STAR	25	120 calendar days from transaction processing date
STAR	5000	120 calendar days from transaction processing date.
STAR Sig Debit	5000	120 calendar days from transaction processing date
Visa	1320	120 calendar days from transaction processing date

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Why Is the Customer Disputing the Transaction?

The Customer is claiming that the merchant billed a transaction to the same account number after the recurring payment plan expired or after the Customer canceled or withdrew permission to charge the account as part of the recurring payment plan.

What Can You Do to Avoid a Canceled Recurring Transaction Dispute?

- Cancel the recurring billing as soon as notification is received from the customer
- Issue a credit as needed to the Customer in a timely manner
- Ensure billing and cancellation terms are clear in the contract
- Discontinue billing the Customer's account after a chargeback has been received

Note: You may pursue collecting from the Customer through another form of payment.

How Can You Defend Yourself Against a Canceled Recurring Transaction Dispute?

- Provide valid legible copies of all transaction documentation which may include:
 - A receipt or invoice signed by the Customer indicating that the Customer authorized each of the card transactions charged to the account
 - Evidence that the Customer did not cancel the Recurring Payment Plan in accordance with the merchant's policy
 - Supporting documentation that the Customer did not cancel the Recurring Payment Plan at least 15 calendar days prior to the posting of the card transaction
 - Proof that the cancellation number provided by the Customer is invalid and that the disputed card transaction was processed correctly
 - A record that a credit was processed to the account
 - Proof that the terms of the Recurring Payment Plan require the Customer to pay the amount(s) subject to dispute, notwithstanding the termination or cancellation of the Recurring Payment Plan
- Provide a copy of the cancellation policy, an explanation of the procedures for disclosing it to the Customer and details explaining how the Customer did not follow the cancellation policy
- Give proof that the Customer has not canceled and continues to use the services or receive the goods
- Supply proof that the cancellation occurred during the same month as the billing and that partial services were rendered



Duplicate Processing

Network	Reason Code	Bank Initiation Timeframe
Accel	82	120 calendar days from transaction processing date
American Express	P08	120 calendar days from transaction processing date
Discover	4534 DP	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
Interlink	1261	120 calendar days from transaction processing date
Maestro	34	120 calendar days from transaction processing date
Mastercard	34	90 calendar days from transaction processing date
PayPal network	31	180 calendar days from transaction processing date
PayPal network	35	180 calendar days from transaction processing date
PULSE	4534	120 calendar days from transaction processing date
SHAZAM	1376, 1382, 4512	180 calendar days from transaction processing date
STAR	IE	120 calendar days from transaction processing date
STAR	21	30 calendar days from transaction processing date
STAR	3000	90 calendar days from transaction processing date.
STAR Sig Debit	3000	90 calendar days from transaction processing date
Visa	1261	120 calendar days from transaction processing date

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The Customer is claiming that a single transaction was processed more than once to the same card number, at the same merchant location, for the same amount and on the same date; the Customer did not receive the benefit of more than one transaction.

Note: Visa's only requirement for Duplicate Processing is that a single transaction was processed more than once on the same card.

What Can You Do to Avoid a Duplicate Processing Dispute?

- Ensure transactions are not processed multiple times
 - In the event that a transaction is processed more than once in error, immediately issue a void, a transaction reversal or a credit
- Accept only one form of payment per transaction
 - In the event that two or more forms of payment are accepted for one transaction, document each form of payment on one transaction receipt confirming that the total of all payments does not exceed the total of the purchase
- Ensure the Customer is billed only once per transaction
- Reconcile transaction reporting daily
- Ensure only one copy of sales draft is submitted, if you submit paper drafts for processing

How Can You Defend Yourself Against a Duplicate Processing Dispute?

- Provide valid, legible copies of all transaction documentation which may include:
 - Two distinct transaction receipts
 - Two invoices
 - Itemization reflecting different transactions
- Provide evidence that the transactions were not for the same service or merchandise, if two separate transaction receipts are not available
- Provide evidence that a credit was issued to the account to correct duplicate billing
- Provide proof of a transaction reversal to correct duplicate billing
- Provide documentation to support transactions were processed as chip transactions (For example, application counters are different)

Data Entry Error

Network	Reason Code	Bank Initiation Timeframe
Accel	77	75 calendar days from transaction processing date
Accel	80	120 calendar days from transaction processing date
American Express	P03, P04, P05, P22, P23	120 calendar days from transaction processing date
Discover	4550 CD, 4753 IN, 4586 AW	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
Interlink	1220, 1230, 1240, 1250	120 calendar days from transaction processing date
Interlink	1270	75 calendar days from transaction processing date
Maestro	46, 31	120 calendar days from transaction processing date
Mastercard	46, 31 (Merged with MC 34 – Point of Interaction Error)	90 calendar days from transaction processing date
NYCE	A1, A2, E1	180 calendar days from transaction processing date
PayPal Network	31	180 calendar days from transaction processing date
PayPal Network	32	180 calendar days from transaction processing date
PULSE	4512	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
PULSE	4550, 4586	Within 60 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
SHAZAM	1378, 1379, 4507, 4510, 4511, 4523, 4524, 4525	180 calendar days from transaction processing date
	5400	180 calendar days from transaction processing date
	5410	180 calendar days from transaction processing date
STAR	3	120 calendar days from transaction processing date
STAR	11	30 calendar days from transaction processing date
STAR	3000	90 calendar days from transaction processing date
STAR Sig Debit	3000	90 calendar days from transaction processing date
Visa	1220, 1230, 1240, 1250	120 calendar days from transaction processing date; If Credit refund was processed instead of Reversal or Adjustment – 120 calendar days from the processing date of the credit refund
Visa	1270	75 calendar days from transaction processing date

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The Customer is claiming that a data entry error was made at the point-of-sale. The items incorrectly entered may include but are not limited to the following: a credit entered as a debit; a debit entered as a credit; transaction amount; transaction code; card number; account number; or currency code.

What Can You Do to Avoid a Data Entry Dispute?

- Ensure all transactions are processed accurately with proper transaction code
- Process all transactions in the proper currency as stated on the transaction receipt
- Ensure that credit transaction receipts are processed as credits and sale transaction receipts are processed as sales
- Confirm that the transaction amount and account number are correct prior to processing
- Make sure that all sales drafts are written clearly and calculated correctly

How Can You Defend Yourself Against a Data Entry Dispute?

- Provide a copy of transaction receipt or other documentation to prove that transaction was processed under the appropriate transaction code
- Provide documentation to prove the transaction was processed utilizing the appropriate currency code
- Provide a copy of the sales draft showing that there was no error in the transaction amount or credit amount processed



Late Presentment

Network	Reason Code	Bank Initiation Timeframe
Accel	74	120 calendar days from transaction processing date
American Express	P07	120 calendar days from transaction processing date
Discover	4542 LP	Within 60 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
Interlink	1210	120 calendar days from transaction processing date
Maestro	42	120 calendar days from transaction processing date
Mastercard	42 (Merged with MC 34 – Point of Interaction Error)	90 calendar days from transaction processing date
PULSE	4542	Within 60 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
SHAZAM	4536	180 calendar days from transaction processing date
STAR	3000	90 calendar days from transaction processing date.
Visa	1210	120 calendar days from transaction processing date

*For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The Customer's bank is claiming that the transaction was not processed within the required timeframe.

What Can You Do to Avoid a Late Presentment Dispute?

→ Process all transactions within the required timeframes

How Can You Defend Yourself Against a Late Presentment Dispute?

→ Provide proof that the transaction was deposited and processed within the required time limit

Paid by Other Means

Network	Reason Code	Bank Initiation Timeframe
Accel	86	120 calendar days from transaction processing date
American Express	C14	120 calendar days from transaction processing date
Discover	4865 PM	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
Interlink	1260	90 calendar days from transaction processing date
Mastercard	34	90 calendar days from transaction processing date
PayPal Network	33	180 calendar days from transaction processing date
PULSE	4865	Within 30 calendar days from the close date of the TRR if a TRR was processed or 120 calendar days from the processing date of the transaction, whichever is greater
SHAZAM	4762	180 calendar days from transaction processing date
STAR	3000	90 calendar days from transaction processing date.
STAR Sig Debit	3000	90 calendar days from transaction processing date
Visa	1262	120 calendar days from transaction processing date

For a full listing of Dispute Reason Codes and descriptions, access your Dispute Manager Welcome Screen.

Why Is the Customer Disputing the Transaction?

The Customer is claiming that the transaction in dispute was paid by another form of payment.

What Can You Do to Avoid a Paid by Other Means Dispute?

- Accept only one form of payment per transaction
 - In the event that two or more forms of payment are accepted for one transaction, document each form of payment on one transaction receipt confirming that the total of all payments does not exceed the total of the purchase
- Ensure the Customer is billed only once per transaction

How Can You Defend Yourself Against a Paid by Other Means Dispute?

- Provide proof that the transaction was not paid by an alternate form of payment
- Provide evidence that a credit was issued to the account
- Prove that the alternate form of payment was not valid
- Provide documentation to prove that the merchant did not receive payment by other means for the same merchandise or service
- Provide proof that there are two or more separate transactions along with an explanation of each transaction