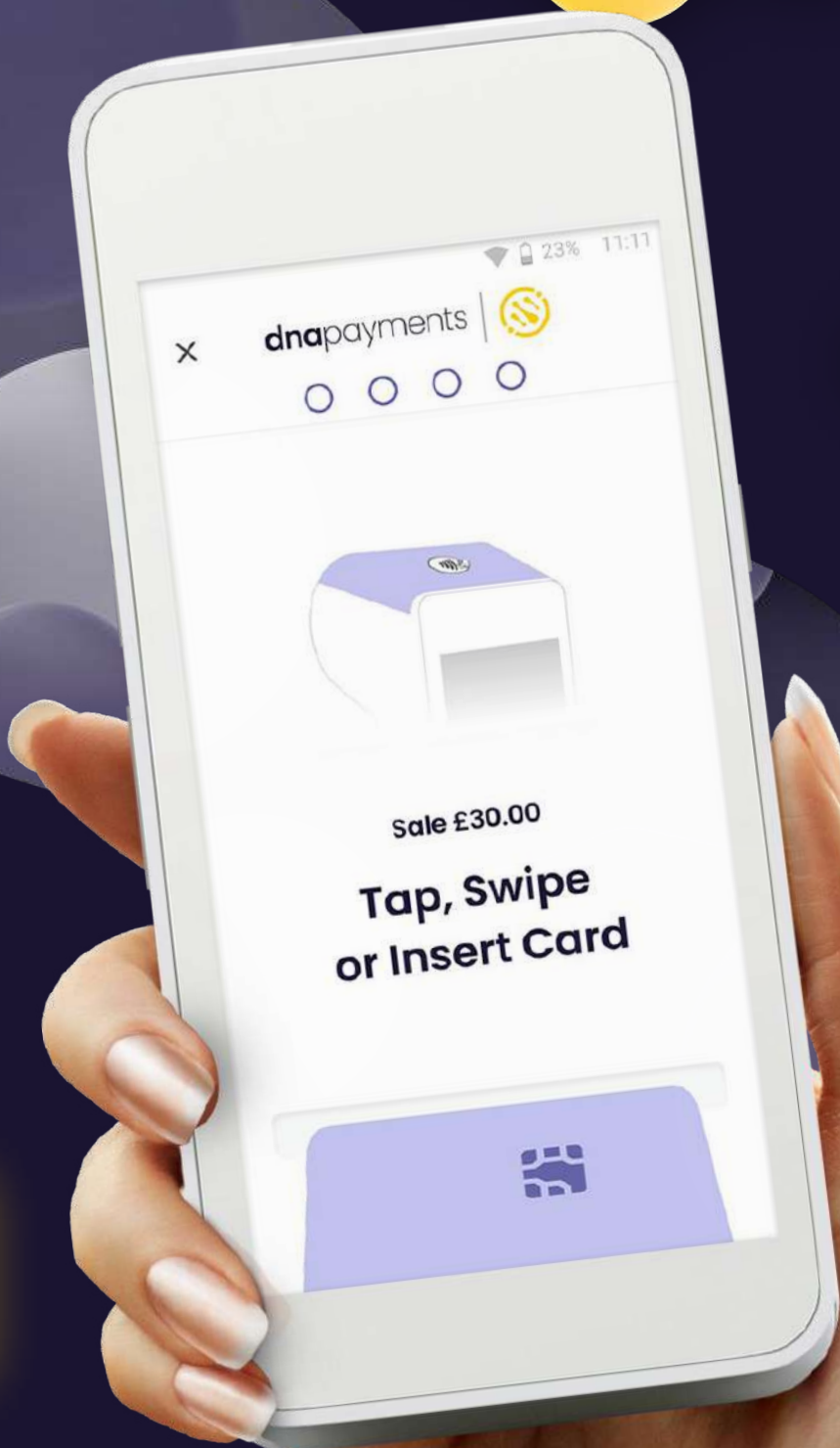


dnapayments



Chargebacks guide

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Chargebacks overview

Chargebacks or disputes are charges returned to a payment card after a dispute has been raised against a transaction.

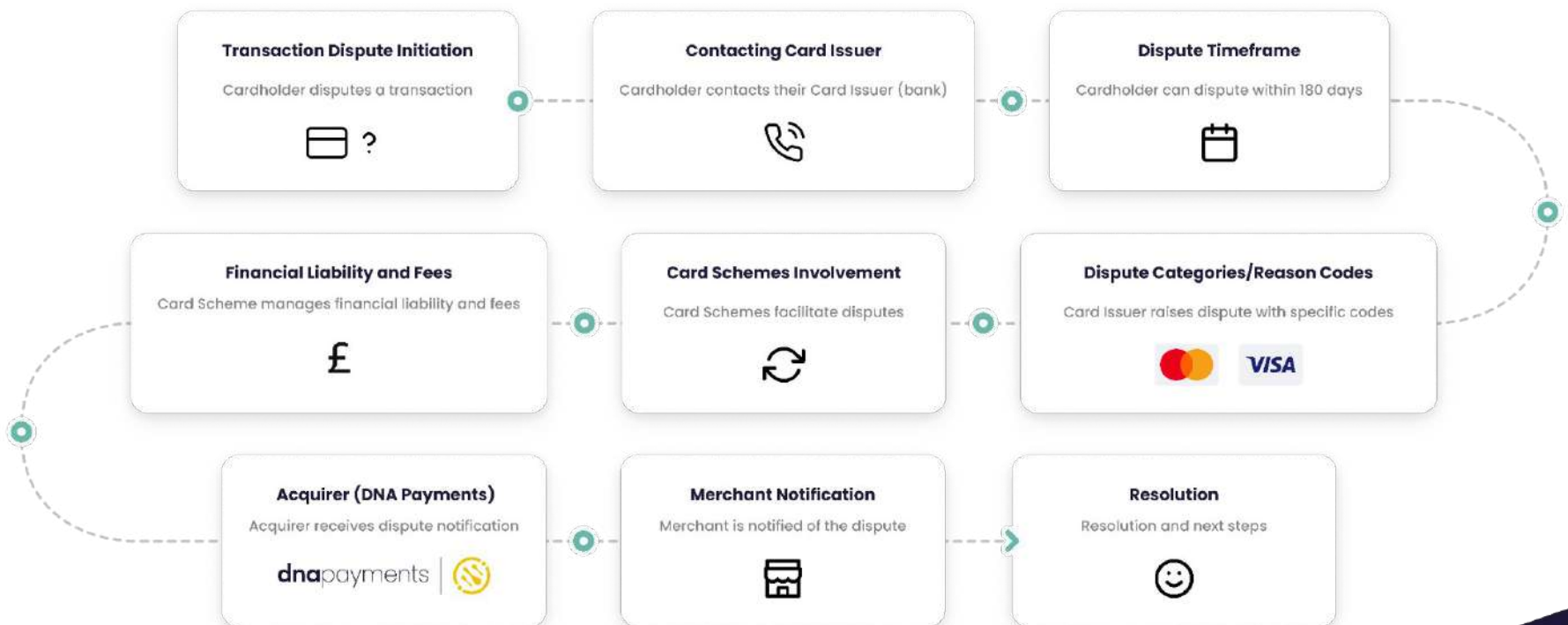
They are usually initiated by a Cardholder (your customer) who contacts their Card Issuer (their bank) to dispute a transaction posted to their account.

Your customer can dispute an item on their account any time up to 180 days from the transaction date.

The Card Issuer raises the disputed transactions to the Card Schemes (usually Visa and MasterCard etc.) with specific dispute categories/reason codes.

The Card Scheme will facilitate the dispute's notification, financial liability and associated fees to the Acquirer (DNA Payments), who'll then notify you (the merchant).

Chargebacks and Disputes Process



What happens if I receive a chargeback?

We'll send you an email notification to the latest known email address and let you know:

- 1 The chargeback/dispute was raised.
- 2 The amount of the Chargeback/Dispute and the amount that we'll withhold from the Settlement owed to you.
- 3 You'll receive a fee for the chargeback raised, set out by the schemes and we aim to provide as much information as possible to help avoid these.
- 4 The reason code of the chargeback(s) that's been assigned by the Card Issuer.
- 5 You'll be required to respond to our request within 14 calendar days as Payment Schemes' rules and time restrictions are rigorous.
- 6 We'll provide a detailed chargebacks and disputes guide to manage the chargeback.
- 7 You'll have the option to either agree with the chargeback raised or to dispute it by providing us with enough compelling evidence to submit to the issuing bank details of your evidence as per this guide.

- 8 If a chargeback has been raised for a transaction that you've already refunded to the Cardholder, we'll represent you by sending the relevant refund information to the Issuer.

If a response isn't received within the timeframe, we'll send you one reminder as we're expected to respond to the issuing bank. However, the case will be automatically closed if a response is not received, and the chargeback/dispute will be lost.

We'll inform you of the outcome of the challenged dispute transaction via email.

If the Issuer's convinced the evidence you've provided is sufficient, you've won the dispute, and you'll be refunded the amount to your bank account.

If the Issuer is not satisfied with your evidence post-pre-arbitration stage (i.e. second round or enquiries), the dispute has been lost. However, at this stage, for some chargebacks, you can still challenge this decision by taking your case to an arbitration level. Payment Scheme Rules heavily regulate this stage and the entire process and may entail substantial costs. We will support you through this process.

What if I disagree

- 1** You must provide us with evidence so that we can represent your case to the Card Issuer – if you don't provide compelling evidence, it'll not be possible to challenge the Chargeback.
- 2** You'll need to provide us with documentary evidence and explanations as to a particular Transaction in dispute. The more documents you provide, the greater chances to succeed (however, this is never guaranteed and the final word rests with Payment Schemes).
- 3** If we're not satisfied with the documents/information provided by you, we'll ask for additional ones. You'll receive an email from us with the response time. Please note, timelines are strict – we'll do our best, and want to help defend and reduce Chargebacks.
- 4** If we're satisfied with the evidence, we'll send this information to the Card Issuer and they're entitled to review the evidence to make their own judgement.
- 5** If the Card Issuer is not satisfied with the evidence, we'll be notified and the process will restart (This second stage of the dispute is known as pre-arbitration).

Visa disputes

Visa have four different categories and two different workflows for disputes:

- 1 Allocation** – Fraud and Authorisation disputes, Visa automatically determine the financial liability for the dispute.



10. Fraud

- 10.1 - EMV Liability Shift Counterfeit Fraud
- 10.2 - EMV Liability Shift Non-Counterfeit Fraud
- 10.3 - Other Fraud-Card Present Environment
- 10.4 - Other Fraud-Card Absent Environment
- 10.5 - Visa Fraud Monitoring Program



11. Authorisation

- 11.1 - Card Recovery Bulletin
- 11.2 - Declined Authorisation
- 11.3 - No Authorisation

- 2 Collaboration** – Consumer and Processing Error disputes, Visa does not automatically determine the financial liability for the dispute.



12. Processing Errors

- 12.1 - Late Presentment
- 12.2 - Incorrect Transaction Code
- 12.3 - Incorrect Currency
- 12.4 - Incorrect Account Number
- 12.5 - Incorrect Amount
- 12.6 - Duplicate Processing/Paid by Other Means
- 12.7 - Invalid Data



13. Consumer Disputes

- 13.1 - Merchandise/Services Not Received
- 13.2 - Cancelled Recurring
- 13.3 - Not as Described/Defective Merchandise/Services
- 13.4 - Counterfeit Merchandise
- 13.5 - Misrepresentation
- 13.6 - Credit Not Processed
- 13.7 - Cancelled Merchandise/Services
- 13.8 - Original Credit Transaction Not Accepted
- 13.9 - Non-Receipt of Cash or Load Transaction Value

Mastercard chargebacks

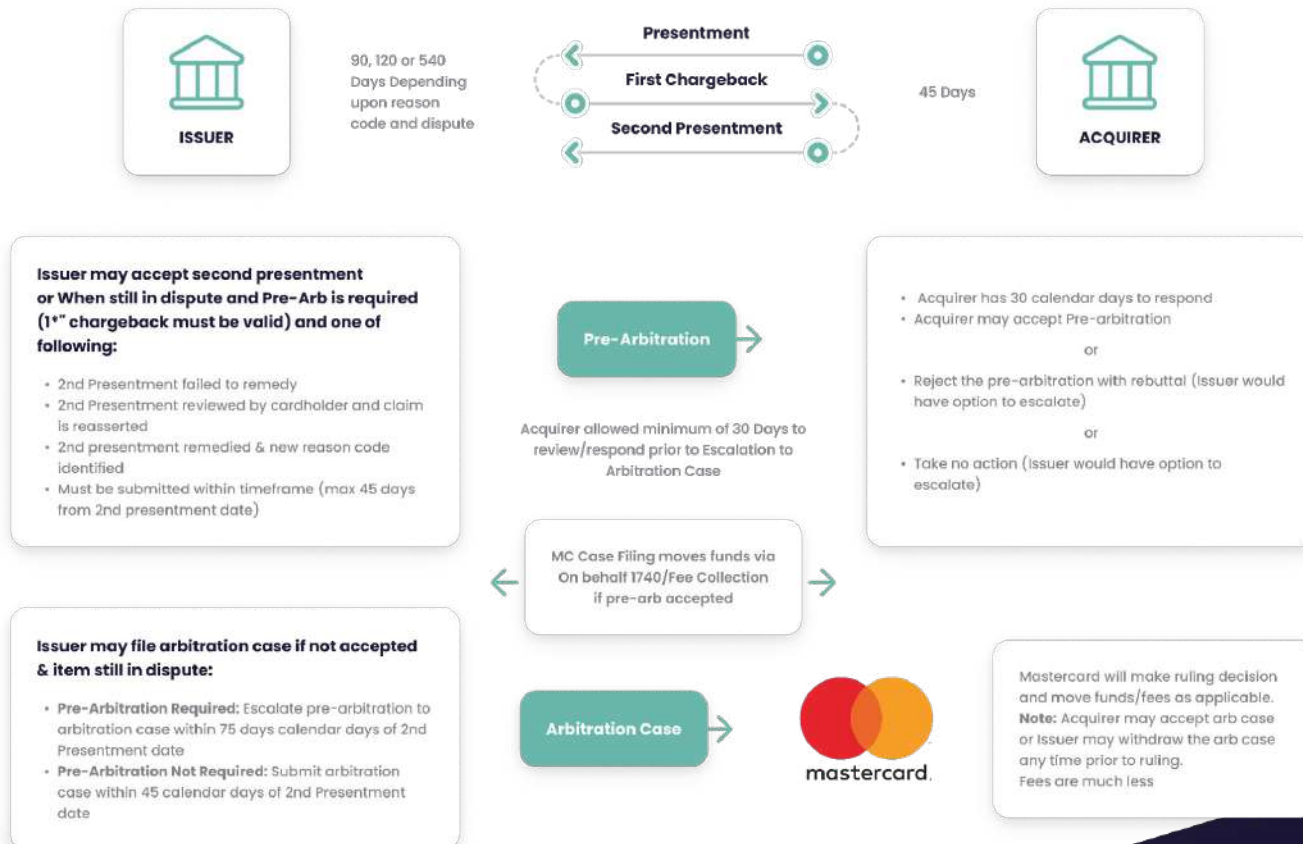
Mastercard have two Chargeback stages and depending on the Chargeback Reason Code, Pre-Arbitration will be required or optional.

Detailed below are the main steps that occur in the Chargeback process:

There are four Chargeback categories in Mastercard:

- 1 **Authorisation** related Chargebacks 4808
- 2 **Cardholder disputes** 4853
- 3 **Fraud** related Chargebacks 4837
- 4 **Point-of-Interaction Error** Chargeback 4834

Chargebacks and Disputes Process



Where can I monitor my chargebacks?

You can monitor your chargebacks on our Merchant Portal and on the app. Simply login using the details you were provided when signing up and visit the chargebacks section.

By proactively identifying any trends, you can take control of chargebacks with detailed insights, with all the functionality and information you need.

On the chargebacks page, you can monitor:

- **Amount:** Chargeback amount
- **Chargeback date:** When the chargeback was initiated
- **Transaction date:** Date of the original transaction
- **Chargeback status:** Chargeback, Chargeback Reversal, Second Chargeback - Lost
- **Reason:** Chargeback reason categories: Authorisation, Consumer, Fraud, Processing Errors
- **Payment method:** Card Scheme and Mask

You can also drill into additional, deeper details by clicking on a chargeback, displaying:

- **Chargeback ID**
- **Chargeback details:** Date, Amount, Reason code with the description hint, ARN (acquirer reference number)
- **Original transaction details:** Banking Date, Amount, Capture Method, Transaction Type, Card Scheme, Card Mask, Document ID, Terminal ID, Transaction ID
- **Chargeback history:** Timeline of status changes: Date, Chargeback Status, Amount, Financial Status, Document ID

Amount	Transaction Date	Transaction Date	Status
£ 10.00	02/2024 15:22		Chargeback
£ 1.00	09/10/2024	07/10/2024 09:54	Chargeback Reversal
£ 1.00	09/10/2024	07/10/2024 09:46	Chargeback
£ 3.00	05/08/2024	18/07/2024 12:12	Chargeback

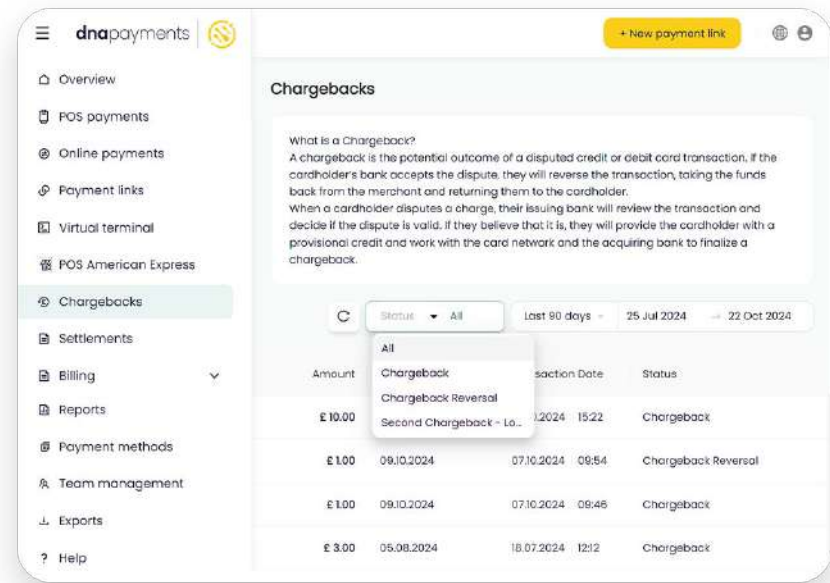
NOTE

Our support team will be in touch with further steps if you see a chargeback. View our Merchant Portal Guides [here](#)

Tips to protect your business from Chargebacks

To protect yourself from chargebacks:

- 1 Ensure the Terms and Conditions are clear on your website, any literature or promotional/advertising materials.
- 2 Ensure contact details are available to customers who may have disputes or request delivery timeframes.
- 3 Be fraud aware: Card Not Present (CNP) transactions typically involve a much higher risk of fraud than Card Present (chip & PIN) transactions and online payments completed using 3DSecure. CNP can be denoted as mail order/telephone order, Payment Links, Virtual Terminal and Ecommerce transactions – 3DSecure’s strong customer authentication makes the transaction safer when accepting transactions via a website. More info on our guide [here](#) and on our website [here](#)



Chargebacks

What is a Chargeback?
A chargeback is the potential outcome of a disputed credit or debit card transaction. If the cardholder's bank accepts the dispute, they will reverse the transaction, taking the funds back from the merchant and returning them to the cardholder. When a cardholder disputes a charge, their issuing bank will review the transaction and decide if the dispute is valid. If they believe that it is, they will provide the cardholder with a provisional credit and work with the card network and the acquiring bank to finalize a chargeback.

Status: All | Last 90 days | 25 Jul 2024 - 22 Oct 2024

Amount	Chargeback	Transaction Date	Status
£ 10.00	Chargeback Reversal	07.10.2024 15:22	Chargeback
£ 1.00	Second Chargeback - Lo...	09.10.2024 07:10.2024 09:54	Chargeback Reversal
£ 1.00		09.10.2024 07:10.2024 08:46	Chargeback
£ 3.00		05.08.2024 18.07.2024 12:12	Chargeback

i NOTE

The notification we send you should have a clear due date displayed on it, so please ensure you review this, so you know when to respond in time, as Payment Schemes' rules and time restrictions are rigorous!

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Pioneering payment solutions, powering businesses to thrive

DNA Payments Limited (Company No.11154668 /FCA No.806630). Registered office:
10 Lower Grosvenor Place, London, SW1W 0EN. DNA Payments Limited is authorised
by the Financial Conduct Authority under the Payment Service Regulations 2017
for the provision of payment services.

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