



# Dispute Management Guidelines for Visa Merchants



# Contents

- Introduction ..... 1
- Section 1 Getting Down to Basics..... 4
  - Disputes Overview ..... 5
- Section 2 Copy Requests ..... 7
  - Transaction Receipt Requirements – Card-Present Merchants..... 8
  - Substitute Transaction Receipt Requirements – Card-Absent Merchants.... 9
  - Responding to Copy Requests ..... 10
  - How to Minimize Copy Requests ..... 11
- Section 3 Disputes..... 13
  - Why Disputes Occur ..... 14
  - Responding to Dispute Issues..... 15
  - Minimizing Disputes ..... 16
  - Visa Rules for Returns, Exchanges and Cancellations..... 19
  - Dispute Monitoring..... 21
  - When Dispute Rights Do Not Apply ..... 22
- Section 4 Dispute Conditions ..... 23
  - Condition 10.1 EMV Liability Shift Counterfeit Fraud ..... 25
  - Condition 10.2 EMV Liability Shift Non-Counterfeit Fraud ..... 26
  - Condition 10.3 Other Fraud – Card-Present Environment..... 27
  - Condition 10.4 Other Fraud – Card-Absent Environment..... 28
  - Condition 10.5 Visa Fraud Monitoring Program..... 29
  - Condition 11.1 Card Recovery Bulletin ..... 30
  - Condition 11.2 Declined Authorization ..... 31
  - Condition 11.3 No Authorization ..... 32
  - Condition 12.1 Late Presentment..... 33
  - Condition 12.2 Incorrect Transaction Code ..... 34
  - Condition 12.3 Incorrect Currency ..... 35
  - Condition 12.4 Incorrect Account Number ..... 36
  - Condition 12.5 Incorrect Amount ..... 37
  - Condition 12.6 Duplicate Processing ..... 38
  - Condition 12.6 Paid by Other Means..... 39
  - Condition 12.7 Invalid Data..... 40

- Condition 13.1 Merchandise/Services Not Received ..... 41
- Condition 13.2 Cancelled Recurring Transaction ..... 43
- Condition 13.3 Not as Described or Defective Merchandise/Services ..... 44
- Condition 13.4 Counterfeit Merchandise ..... 46
- Condition 13.5 Misrepresentation ..... 47
- Condition 13.6 Credit Not Processed. .... 48
- Condition 13.7 Cancelled Merchandise/Services ..... 49
- Condition 13.8 Original Credit Transaction Not Accepted ..... 51
- Condition 13.9 Non-Receipt of Cash or Load Transaction Value. .... 52
- Section 5 Providing Compelling Evidence ..... 53
  - Compelling Evidence and Merchant Rights. .... 54
  - Issuer Compelling Evidence Requirements. .... 61
- Glossary ..... 62
- Appendix 1: Training Your Staff ..... 71
- Appendix 2: Europe Region ..... 72

# Introduction

## Purpose

*Dispute Management Guidelines for Visa Merchants* is a comprehensive manual for all businesses that accept Visa transactions. The purpose of this guide is to provide merchants and their back-office sales staff with accurate, up-to-date information to help merchants minimizing the risk of loss from fraud and disputes. This document covers dispute requirements and best practices for processing transactions that are charged back to the merchant by their acquirer.

## Audience

This book is targeted at both card-present and card-absent merchants and their employees.

## Contents

*The Dispute Management Guidelines for Visa Merchants* contains detailed information on disputes merchants receive and what can be done to respond to them or prevent them. It is organized to help users find the information they need quickly and easily. The table of contents serves as an index of the topics and material covered.







Topics covered include:

- **Section 1: Getting Down to Basics** – Provides an overview of how Visa transactions are processed, from point of transaction to clearing and settlement. A list of key Visa policies for merchants is also included to help ensure the security of confidential cardholder information.
- **Section 2: Copy Requests** – Includes requirements and best practices for responding to a request for a copy of a transaction receipt. Information on minimizing copy requests, ensuring legible receipts, and meeting sales draft requirements are also covered.
- **Section 3: Disputes** – Highlights strategies for dispute prevention, as well as information on how and when to resubmit a disputed transaction back to your acquirer. A brief compliance process overview is also included.
- **Section 4: Dispute Conditions** – Contains detailed information on the conditions for disputes that merchants receive. For each condition, a definition is provided along with the merchant's actions—or failure to act—that may have caused the dispute, and recommendations are given for resubmitting the transaction and preventing similar disputes in the future.
- **Section 5: Providing Compelling Evidence** – Discusses dispute response processing requirements related to merchant compelling evidence.
- **Glossary** – A list of terms used in the guide.
- **Appendix 1: Training Your Staff** – A reference to Visa.com which offers resources that merchants can use for training their employees on card acceptance and fraud prevention procedures.
- **Appendix 2: Europe Region** – - A list of Europe Region participants.

## Important Note About Country Differences


Most of the information and best practices contained in this document pertain to all regions; however, in some countries, there are specific products, services, and regulatory differences that must be noted. In these instances, country or region-specific details have been identified with an icon for the country under discussion.


The country icons are as follows:

-  United States
-  Canada
-  Europe
-  Latin America and Caribbean (LAC)
-  Asia Pacific (AP)
-  Central Europe, Middle East, and Africa (CEMEA)

## Guide Navigation

*Dispute Management Guidelines for Visa Merchants* provides icons that highlight additional resources or information:

 Additional insights related to the topic that is being covered.

 A brief explanation of the Visa service or program pertinent to the topic at hand.



## Disclaimer

The information in this guide is current as of the date of printing. However, card acceptance and processing procedures are subject to change. This guide contains information based on the current *Visa Core Rules and Visa Product and Service Rules*. If there are any differences between the *Visa Core Rules and Visa Product and Service Rules* and this guide, the *Visa Core Rules and Visa Product and Service Rules* will prevail in every instance. Your merchant agreement and the *Visa Core Rules and Visa Product and Service Rules* take precedence over this guide or any updates to its information. To access a copy of the *Visa Core Rules and Visa Product and Service Rules*, visit [www.visa.com](http://www.visa.com) and click on Operations and Procedures.

All rules discussed in this guide may not apply to all countries. Local laws and rules may exist and it is your responsibility to ensure your business complies with all applicable laws and regulations.

The information, recommendations or “best practices” contained in this guide are provided “AS IS” and intended for informational purposes only and should not be relied upon for operational, marketing, legal, technical, tax, financial or other advice. This guide does not provide legal advice, analysis or opinion. Your institution should consult its own legal counsel to ensure that any action taken based on the information in this guide is in full compliance with all applicable laws, regulations and other legal requirements.

Visa is not responsible for your use of the information contained in this guide (including errors, omissions, inaccuracy or non-timeliness of any kind) or any assumptions or conclusions you might draw from its use. Visa makes no warranty, express or implied, and explicitly disclaims the warranties of merchantability and fitness for a particular purpose, any warranty of non-infringement of any third party’s intellectual property rights, any warranty that the information will meet your requirements, or any warranty that the information is updated and will be error free.

For further information about the rules or practices covered in this guide, please contact your acquirer.

# 1

## Getting Down to Basics

---

### What's Covered

- Dispute Overview
- The Dispute Life Cycle

By accepting Visa cards at your point-of-sale, you become an integral part of the Visa payment system. That's why it's important that you start with a clear picture of the Visa card transaction process; what it is, how it works, and who's involved. The basic knowledge in this section provides you with a conceptual framework for the policies and procedures that you must follow as a Visa merchant. It will also help you to understand the major components of payment processing and how they affect the way you do business.

## Disputes Overview

### What is a Dispute?

A dispute provides an issuer with a way to return a contested transaction. When a cardholder disputes a transaction, the issuer may request a detailed explanation of the problem from the cardholder. Once the issuer receives this information, the first step is to determine whether a dispute situation exists. There are many reasons for disputes—those reasons that may be of assistance in an investigation include the following:

- Merchant failed to get an authorization
- Merchant failed to obtain card imprint (electronic or manual)
- Merchant accepted an expired card

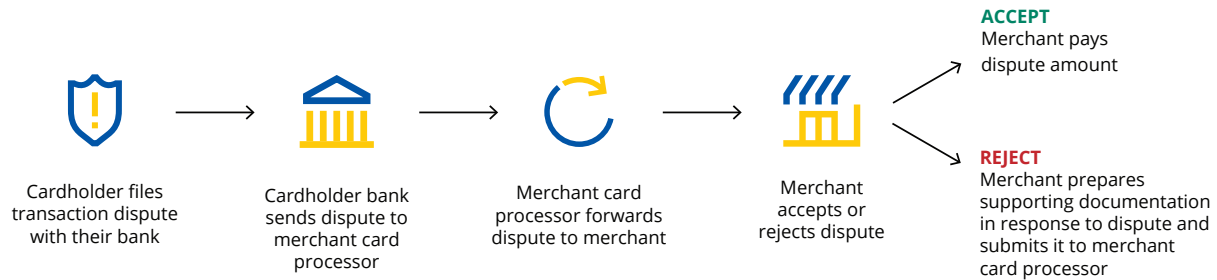
When a dispute right applies, the issuer sends the transaction back to the acquirer and disputes the dollar amount of the disputed sale. The acquirer then researches the transaction. If the dispute is valid, the acquirer deducts the amount of the dispute from the merchant account and informs the merchant.

Under certain circumstances, a merchant may respond to a dispute to its acquirer. If the merchant cannot remedy the dispute, it is the merchant's loss. If there are no funds in the merchant's account to cover the disputed amount, the acquirer must cover the loss.







## The Dispute Life Cycle

The diagram below illustrates and explains the Visa dispute resolution.



For your convenience, we have organized the content into four Visa dispute categories: Fraud, Authorization, Processing Errors, and Consumer Disputes. Each category includes a set of numbered dispute conditions as shown below.

			
10. Fraud	11. Authorization	12. Processing Errors	13. Consumer Disputes
<p>10.1 – EMV Liability Shift Counterfeit Fraud</p> <p>10.2 – EMV Liability Shift Non-Counterfeit Fraud</p> <p>10.3 – Other Fraud-Card Present Environment</p> <p>10.4 – Other Fraud-Card Absent Environment</p> <p>10.5 – Visa Fraud Monitoring Program</p>	<p>11.1 – Card Recovery Bulletin</p> <p>11.2 – Declined Authorization</p> <p>11.3 – No Authorization</p>	<p>12.1 – Late Presentment</p> <p>12.2 – Incorrect Transaction Code</p> <p>12.3 – Incorrect Currency</p> <p>12.4 – Incorrect Account Number</p> <p>12.5 – Incorrect Amount</p> <p>12.6 – Duplicate Processing/ Paid by Other Means</p> <p>12.7 – Invalid Data</p>	<p>13.1 – Merchandise/ Services Not Received</p> <p>13.2 – Cancelled Recurring</p> <p>13.3 – Not as Described or Defective Merchandise/ Services</p> <p>13.4 – Counterfeit Merchandise</p> <p>13.5 – Misrepresentation</p> <p>13.6 – Credit Not Processed</p> <p>13.7 – Cancelled Merchandise/Services</p> <p>13.8 – Original Credit Transaction Not Accepted</p> <p>13.9 – Non-Receipt of Cash or Load Transaction Value</p>

# 2 Copy Requests

---

## What's Covered

- Transaction Receipt Requirements – Card-Present Merchants
- Transaction Receipt Requirements – Card-Absent Merchants
- Responding to Copy Requests
- How to Minimize Copy Requests

When cardholders do not recognize transactions on their Visa statements, they typically ask their card issuer for a copy of the related transaction receipt to determine whether the transaction is theirs. In this kind of situation, the card issuer first tries to answer the cardholder's questions. If this cannot be done, the card issuer electronically sends a "request for copy" (also known as a "retrieval request") to the acquirer associated with the transaction.

If your acquirer stores your transaction receipts, the acquirer will fulfill the copy request. However, if you store your own transaction receipts, the acquirer forwards the request to you. You must then send a legible copy of the transaction receipt to the acquirer. The acquirer will send it on to the card issuer.

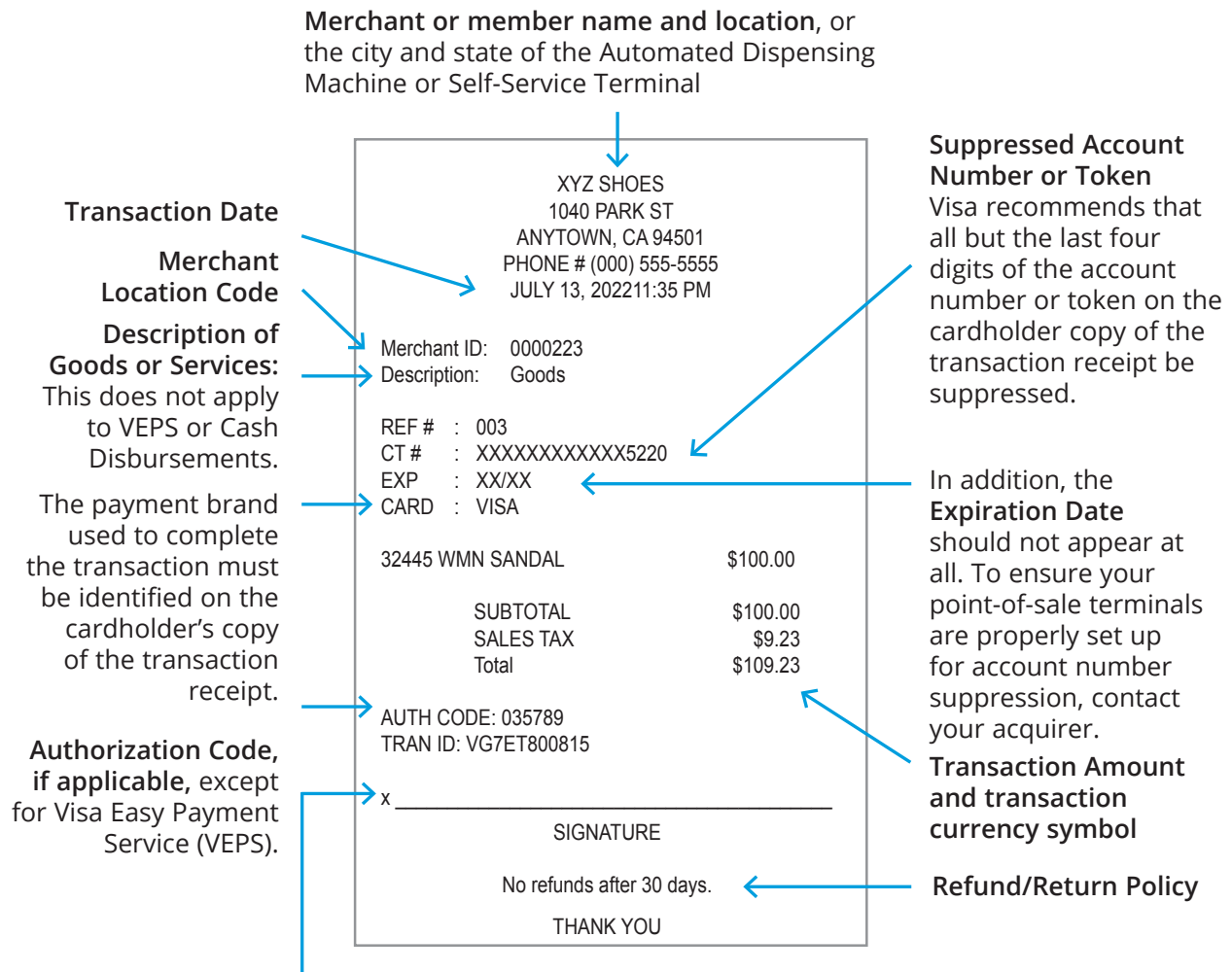
Note: The merchant is **no longer** required to obtain a signature on the transaction receipt or fulfill a copy request if the terminal is chip enabled. (Only applies to US and its territories, Canada, and all US Canada interregional transactions).

This section highlights merchant requirements and best practices for responding to a request for a copy of a transaction receipt.

# Transaction Receipt Requirements – Card-Present Merchants

The following are the Visa requirements for all transaction receipts generated from electronic point-of-sale terminals (including cardholder-activated terminals). It is recommended that merchants provide itemized receipts when possible.

## Electronic Point-of-Sale Terminal Receipts



### Space for Cardholder Signature, except for:

- Transactions in which the PIN is an acceptable substitute for cardholder signature
- Limited-Amount Terminal Transactions
- Self-Service Terminal Transactions
- VEPS
- Chip-enabled terminal\*

\*The merchant is **no longer** required to obtain a signature on the transaction receipt if the terminal is chip enabled. (Only applies to US and its territories, Canada, and all US Canada interregional transactions.)

# Substitute Transaction Receipt Requirements – Card-Absent Merchants

The following are the Visa requirements for all manually printed transaction receipts in the card-absent environment.

## Substitute Transaction Receipts

**Merchant Name and Location** → **Books Are Us**  
1111 Something Ave.  
City, State 98102  
Order placed: March 14, 2022  
www.booksareus.com

**Transaction Date** → Order placed: March 14, 2022

**Description of Goods or Services** → **ORDER #: 103-62567-3299874**

Shipping Address:	Items Ordered	Price
John Bennett 2423 Sweet Dr. San Francisco, CA 94111 USA	<b>1 How to Raise a Puppy</b> (Hardcover) by Jane Russo	\$16.95
<b>Shipping:</b> Standard	1 item(s) Gift options: None	
	Item(s) Subtotal:	\$16.95
	Shipping & Handling:	\$3.99
	Subtotal:	\$20.64
	<b>Total for this Shipment:</b>	<b>\$20.64</b>

**Merchant Online Address** → John Bennett  
2423 Sweet Dr.  
San Francisco, CA 94111  
USA

**Payment Method Used and Suppressed Account Number or Token** → **PAYMENT INFORMATION** Printable version

<b>Payment Method:</b> Visa: xxxxxxxxxxxx0123 Authorization Code: 623116 Transaction Type: Purchase	Item(s) Subtotal: \$16.95 Shipping & Handling: \$3.99 Total Before Tax: \$20.64 Estimated Tax: \$0.00 <b>Grand Total: \$20.64</b>
--	---

**Transaction Type: Purchase or Credit** → Transaction Type: Purchase

**Authorization Code** → Authorization Code: 623116

**Transaction Amount** → **Grand Total: \$20.64**

**Refund/Return Policy** → **No refunds after 30 days. See our Return Policy.**  
**Questions?** Call Customer Service at 1-800-111-1111

## Responding to Copy Requests<sup>1</sup>

When a card issuer sends a copy request to an acquirer, the bank has 30 days from the date it receives the request to send a copy of the transaction receipt back to the card issuer. If the acquirer sends the request to you, it will tell you the number of days you have to respond. You must follow the acquirer's time frame.

Once you receive a copy request, retrieve the appropriate transaction receipt, make a legible copy of it, and fax or mail it to your acquirer within the specified time frame. Your acquirer will then forward the copy to the card issuer, which will, in turn, send it to the requesting cardholder. The question or issue the cardholder had with the transaction is usually resolved at this point.

**Note:** When you send the copy to the acquirer, use a delivery method that provides proof of delivery. If you mail the copy, send it by registered or certified mail. If you send the copy electronically, be sure to keep a written record of the transmittal.

If you store your own transaction receipts, you should retain your merchant copies—or copies of them, for example, on CD-ROM—for 120 calendar days from the date of the original transaction to ensure your ability to fulfill copy requests.

### Copy Requests by Phone

To assist their cardholders, card issuers may call you directly to request a copy of a transaction receipt. You are not obligated to fulfill a verbal copy request from a card issuer. However, if you do decide to provide a copy of the transaction receipt, be sure to keep a copy for your own records. You may find you need it for dispute-related or accounting purposes.

### It Pays to Respond to Copy Requests

Responding to copy requests saves you time and money. As a merchant, you should always:

- Fulfill any copy requests you receive (except for transactions that take place at a chip-enabled terminal<sup>1</sup>), EMV PIN (except in the case of cash and quasi-cash transactions), and VEPS transactions where the merchant is not required to provide a copy.
- Fulfill requests in a timely manner.
- Ensure that the receipt copy you send is legible.
- Provide transaction details that may assist the cardholder in recognizing the transaction.
  - Cardholder signature (if available)
  - Suppressed Visa account number<sup>2</sup>
  - Cardholder name
  - Guest name (If different than the cardholder name)
  - Dates of entire stay
  - Transaction amount
  - Authorization code, if available
  - Your business name and address
  - All itemized charges

<sup>1</sup> The merchant is **no longer** required to obtain a signature on the transaction receipt if the terminal is chip enabled. (Only applies to US and its territories, Canada, and all US Canada interregional transactions).

<sup>2</sup> Visa requires that all new and existing electronic POS terminals provide suppressed account numbers on sales transaction receipts.

## How to Minimize Copy Requests

Best practices for reducing copy requests include the following:

### Make Sure Customers Can Recognize Your Name on Their Bills

Cardholders must be able to look at their bank statements and recognize transactions that occurred at your establishment. Check with your acquirer to be sure it has the correct information on your “Doing Business As” (DBA) name, city, and state/region/province. You can check this information yourself by purchasing an item on your Visa card at each of your outlets and looking at the merchant name and location on your monthly Visa statement. Is your name recognizable? Can your customers identify the transactions made at your establishment?

### Make Sure Your Business Name Is Legible on Receipts

Make sure your company’s name is accurately and legibly printed on transaction receipts. The location, size, or color of this information should not interfere with transaction detail. Similarly, you should make sure that any company logos or marketing messages on receipts are positioned away from transaction information.



Handle carbonless paper and carbon/silver-backed paper carefully.



if you use a two-color receipt, keep the white copy and give your customers the color copy.



Change point-of-sale printer cartridge routinely.



Change point-of-sale printer paper when the color streak first appears.



## Train Sales Staff

With proper transaction processing, many copy requests can be prevented at the point of sale. Instruct your sales staff to:

- Follow proper point-of-sale card acceptance procedures.
- Review each transaction receipt for accuracy and completeness.
- Ensure the transaction receipt is readable.
- Give the cardholder the customer copy of the transaction receipt, and keep the original, signed copy.

Sales associates should also understand that merchant liability encompasses the merchandise, as well as the dollar amount printed on the receipt; that is, in the event of a dispute, the merchant could lose both.

## Avoid Illegible Transaction Receipts

Ensuring the legibility of transaction receipts is key to minimizing copy requests. When responding to a copy request, you will usually photocopy or scan the transaction receipt before mailing or electronically sending it to your acquirer. If the receipt is not legible to begin with, the copy that the acquirer receives and then sends to the card issuer may not be useful in resolving the cardholder's question.

The following best practices are recommended to help avoid illegible transaction receipts.

- **Change point-of-sale printer cartridge routinely.** Faded, barely visible ink on transaction receipts is the leading cause of illegible receipt copies. Check readability on all printers daily and make sure the printing is clear and dark on every sales draft.
- **Change point-of-sale printer paper when the colored streak first appears.** The colored streak down the center or on the edges of printer paper indicates the end of the paper roll. It also diminishes the legibility of transaction information.
- **Keep the white copy of the transaction receipt.** If your transaction receipts include a white original and a colored copy, always give customers the colored copy of the receipt. Since colored paper does not photocopy as clearly as white paper, it often results in illegible copies.
- **Handle carbon-backed or carbonless paper carefully.** Any pressure on carbon-backed or carbonless paper during handling and storage causes black blotches, making copies illegible.

## Copy Request Monitoring

Visa recommends that merchants monitor the number of copy requests they receive. If the ratio of copy requests to your total Visa sales (less returns and adjustments) is more than 0.5 percent, you should review your procedures to see if improvements can be made.

## Install Chip-Enabled Terminal<sup>3</sup>

Visa recommends that merchants install chip-enabled terminals to eliminate the requirement to fulfill copy requests.

<sup>3</sup> The merchant is **no longer** required to obtain a signature on the transaction receipt if the terminal is chip enabled. (Only applies to US and its territories, Canada, and all US Canada interregional transactions).

# 3 Dispute Conditions

---

## What's Covered

- Why Disputes Occur
- Responding to Dispute Issues
- Minimizing Disputes
- Dispute Monitoring
- When Dispute Conditions Do Not Apply

For merchants, disputes can be costly. You can lose both the dollar amount of the transaction being disputed and the related merchandise. You can also incur your own internal costs for processing the dispute. Since you control how your employees handle transactions, you can prevent many unnecessary disputes by simply training your staff to pay attention to a few details.

In this section, you will find a set of strategies for dispute prevention, as well as information on how and when to resubmit a disputed transaction to your acquirer. A brief compliance process overview is also included.

## Why Disputes Occur

Visa has four dispute categories:

- Fraud
- Authorization
- Processing errors
- Consumer Disputes

Although you probably cannot avoid disputes completely, you can take steps to reduce or prevent them. Many disputes result from avoidable mistakes, so the more you know about proper transaction-processing procedures, the less likely you will be to inadvertently do, or fail to do, something that might result in a dispute. (See *Minimizing Disputes* in this section.)

Of course, disputes are not always the result of something merchants did or did not do. Errors are also made by acquirers, card issuers, and cardholders.

From the administrative point of view, the main interaction in a dispute is between a card issuer and an acquirer. The card issuer sends the dispute to the acquirer, which may or may not need to involve the merchant who submitted the original transaction. This processing cycle does not relieve merchants of the responsibility of taking action to remedy and prevent disputes. In most cases, the full extent of your financial and administrative liability for disputes is spelled out in your merchant agreement.

If a cardholder with a valid dispute contacts you directly, act promptly to resolve the situation. Issue a credit, as appropriate, and send a note or e-mail message to let the cardholder know he or she will be receiving a credit.



For more information on dispute conditions merchants receive, see *Section 4: Dispute Conditions*.

## Responding to Dispute Issues

Even when you do receive a dispute, you may be able to resolve it without losing the sale. Simply provide your acquirer with additional information about the transaction or the actions you have taken related to it.

For example, you might receive a dispute because the cardholder is claiming that credit has not been given for returned merchandise. You may be able to resolve the issue by providing proof that you submitted the credit on a specific date. **In this example and similar situations, always send your acquirer as much information as possible to help it remedy the dispute.** With appropriate information, your acquirer may be able to resubmit, or “re-present,” the item to the card issuer for payment. **Timeliness is also essential when attempting to remedy a dispute.** Each step in the dispute cycle has a defined time limit during which action can be taken. If you or your acquirer do not respond during the time specified on the request—which may vary depending on your acquirer—you will not be able to remedy the dispute.

Although many disputes are resolved without the merchant losing the sale, some cannot be remedied. In such cases, accepting the dispute may save you the time and expense of needlessly contesting it.

## Minimizing Disputes

Most disputes can be attributed to improper transaction-processing procedures and can be prevented with appropriate training and attention to detail. The following best practices will help you minimize disputes.

### Card-Present Merchants

- **Authorization.** Do not complete a transaction without obtaining an authorization.
- **Declined Authorization.** Do not complete a transaction if the authorization request was declined.
- **Expired Card.** Do not accept a card after its “Good Thru” or “Valid Thru” date.

A chip card and the chip-reading device work together to determine the appropriate cardholder or verification method for transaction (either signature, PIN or Consumer Device Cardholder Verification Method (CDCVM)). If the transaction has been PIN verified, there is no need for signature.

- **Card Imprint for Key-Entered Card-Present Transactions.** If, for any reason, you must key-enter a transaction to complete a card-present sale, make an imprint of the front of the card on the transaction receipt, using a manual imprinter. Do not capture an impression of the card using a pencil, crayon, or other writing instrument. This process does not constitute a valid imprint. Even if the transaction is authorized and the receipt is signed, the transaction may be disputed back to you if fraud occurs and the receipt does not have an imprint of the account number and expiration date.

This applies to all card-present transactions, including key-entry situations where the card presented is chip and the terminal is chip-enabled. When a merchant key-enters a transaction, an imprint is required regardless of the type of card and terminal capability.

- **Legibility.** Ensure that the transaction information on the transaction receipt is complete, accurate, and legible before completing the sale. An illegible receipt, or a receipt which produces an illegible copy, may be returned because it cannot be processed properly. The growing use of electronic scanning devices for the electronic transmission of copies of transaction receipts makes it imperative that the item being scanned be very legible.
- **Fraudulent Card-Present Transaction.** If the cardholder is present and has the account number but not the card, do not accept the transaction. Even with an authorization approval, the transaction can be disputed and sent back to you if it turns out to be fraudulent.

## Card-Absent Merchants

**Address Verification Service (AVS) and Card Verification Value 2 (CVV2)<sup>4</sup> Dispute Protection.** Be familiar with the dispute response rights associated with the use of AVS and CVV2. Specifically, your acquirer can provide a response for a disputed transaction for:



### AVS:



- You received an AVS positive match “Y” response in the authorization message and if the billing and shipping addresses are the same. You will need to submit proof of the shipping address and **signed** proof of delivery.
- You submitted an AVS query during authorization and received a “U” response from a card issuer. This response means the card issuer is unavailable or does not support AVS.

### CVV2:

- You submitted a CVV2 verification request during authorization and received a “U” response with a presence indicator of 1, 2, or 9 from a card issuer. This response means the card issuer does not support CVV2.
- You submitted a CVV2 verification request on a Mail/Phone Order Transaction or an Electronic Commerce Transaction during authorization and received an “N” response with a presence indicator of 1 from the card issuer. The issuer approved the transaction with the no match response.

**Visa Secure Dispute Protection.** Visa Secure provides merchants with cardholder authentication on eCommerce transactions. Visa Secure helps reduce eCommerce fraud by helping to ensure that the transaction is being initiated by the rightful owner of the Visa account. This gives merchants greater protection on eCommerce transactions.

Visa Secure participating merchants are protected by their acquirer from receiving certain fraud-related disputes, provided the transaction is processed correctly.

If:	Then:
The cardholder is successfully authenticated	The merchant is protected from fraud-related disputes, and can proceed with authorization using Electronic Commerce Indicator (ECI) of '5'. <sup>5</sup>
The card issuer or cardholder is not participating in Visa Secure	The merchant is protected from fraud-related disputes, and can proceed with authorization using ECI of '6'. <sup>5</sup>
Merchant does not participate or doesn't attempt to authenticate	The merchant is <b>not</b> protected from fraud-related disputes, but can still proceed with authorization using ECI of '7'.

Liability shift rules for Visa Secure transactions may vary by region. Please check with your acquirer for further information.

<sup>4</sup> In certain markets, CVV2 is required to be present for all card-absent transactions.

<sup>5</sup> A Visa Secure merchant identified by the Visa Fraud Monitoring Program may be subject to disputes Condition 10.5: Visa Fraud Monitoring Program.



## Sales-Receipt Processing

- **One Entry for Each Transaction.** Ensure that transactions are entered into point-of-sale terminals only once and are deposited only once. You may get a dispute for duplicate transactions if you:
  - Enter the same transaction into a terminal more than once.
  - Deposit both the merchant copy and bank copy of a transaction receipt with your acquirer.
  - Deposit the same transaction with more than one acquirer.
- **Proper Handling of Transaction Receipts.** Ensure that incorrect or duplicate transaction receipts are voided and that transactions are processed only once.
- **Depositing Transaction Receipts.** Deposit transaction receipts with your acquirer as quickly as possible, preferably within one to five days of the transaction date; do not hold on to them.
- **Timely Deposit of Credit Transactions.** Deposit credit receipts with your acquirer as quickly as possible, preferably the same day the credit transaction is generated.

## Customer Service

- **Prepayment.** If the merchandise or service to be provided to the cardholder will be delayed, advise the cardholder in writing of the delay and the new expected delivery or service date.
- **Item Out of Stock.** If the cardholder has ordered merchandise that is out of stock or no longer available, advise the cardholder in writing. If the merchandise is out of stock, let the cardholder know when it will be delivered. If the item is no longer available, offer the option of either purchasing a similar item or cancelling the transaction. Do not substitute another item unless the customer agrees to accept it.
- **Ship Merchandise Before Depositing Transaction.** For card-absent transactions, do not deposit transaction receipts with your acquirer until you have shipped the related merchandise. If customers see a transaction on their monthly Visa statement before they receive the merchandise, they may contact their card issuer to dispute the billing. Similarly, if delivery is delayed on a card-present transaction, do not deposit the transaction receipt until the merchandise has been shipped.
- **Requests for Cancellation of Recurring Transactions.** If a customer requests cancellation of a transaction that is billed periodically (monthly, quarterly, or annually), cancel the transaction immediately or as specified by the customer. As a service to your customers, advise the customer in writing that the service, subscription, or membership has been cancelled and state the effective date of the cancellation.

## Visa Rules for Returns, Exchanges and Cancellations

As a merchant, you are responsible for establishing your merchandise return and refund or cancellation policies. Clear disclosure of these policies can help you avoid misunderstandings and potential cardholder disputes. Visa will support your policies, provided they are clearly disclosed to cardholders. For face-to-face or eCommerce environment, the cardholder must receive the disclosure at the time of purchase. For guaranteed reservations made by telephone, the merchant may send the disclosure after by mail, email or text message.

If you are unsure how to disclose your return, adjustment and cancellation policies, contact your acquirer for further guidance.

### Disclosure for Card-Present Merchants

For card-present transactions, Visa will accept that proper disclosure has occurred before a transaction is completed if the following (or similar) disclosure statements are legibly printed on the face of the transaction receipt near the cardholder signature area or in an area easily seen by the cardholder. If the disclosure is on the back of the transaction receipt or in a separate contract, it must be accompanied by a space for the cardholder's signature or initials. Your policies should be pre-printed on your transaction receipts; if not, write or stamp your refund or return policy information on the transaction receipt near the customer signature line before the customer signs (be sure the information is clearly legible on all copies of the transaction receipt). Failure to disclose your refund and return policies at the time of a transaction could result in a dispute should the customer return the merchandise.

Disclosure Statement	What It Means
<b>No Refunds or Returns or Exchanges</b>	Your establishment does not issue refunds and does not accept returned merchandise or merchandise exchanges.
<b>Exchange Only</b>	Your establishment is willing to exchange returned merchandise for similar merchandise that is equal in price to the amount of the original transaction.
<b>In-Store Credit Only</b>	Your establishment takes returned merchandise and gives the cardholder an in-store credit for the value of the returned merchandise.
<b>Special Circumstances</b>	You and the cardholder have agreed to special terms (such as late delivery charges or restocking fees). The agreed-upon terms must be written on the transaction receipt or a related document (e.g., an invoice). The cardholder's signature on the receipt or invoice indicates acceptance of the agreed-upon terms.
<b>Timeshare</b>	You must provide a full credit when a transaction receipt has been processed and the cardholder has cancelled the transaction within 14 calendar days of the transaction date.

## Disclosure for Card-Absent Merchants

### Phone Order

For proper disclosure, your refund and credit policies may be mailed, emailed, or texted to the cardholder. As a reminder, the merchant must prove the cardholder received or acknowledged the policy in order for the disclosure to be proper.

### Internet or Application

Your website must communicate its refund policy to the cardholder in either of the following locations:

- In the sequence of pages before final checkout, with a “click to accept” or other acknowledgement button, checkbox, or location for an electronic signature, **or**
- On the checkout screen, near the “submit” or click to accept button

The disclosure may be a link to a separate page if that link forms part of the “click to accept” acknowledgement and refers to the return, refund, or cancellation policy.

## Dispute Monitoring

Monitoring dispute rates can help merchants pinpoint problem areas in their businesses and improve prevention efforts. Card-absent merchants may experience higher disputes than card-present merchants as the card is not electronic read, which increases liability for disputes.

General recommendations for dispute monitoring include:

- Track disputes and dispute responses by conditions. Each condition is associated with unique business issues and requires specific remedy and reduction strategies.
- Track dispute activity as a proportion of sales activity.
- Include initial dispute amounts and net disputes after dispute response.
- Track card-present and card-absent disputes separately. If your business combines traditional retail with card-absent transactions, track the card-present and card-absent disputes separately. Similarly, if your business combines mail order/telephone order (MO/TO) and Internet sales, these disputes should also be monitored separately.

### Visa Chargeback Monitoring Programs

Visa monitors all merchant dispute activity on a monthly basis and notifies acquirers when any of their merchants has excessive disputes.

Once notified of a merchant with excessive disputes, acquirers are expected to take appropriate steps to reduce the merchant's dispute activity. Remedial action will depend on the dispute condition, merchant's line of business, business practices, fraud controls, and operating environment, sales volume, geographic location, and other factors. In some cases, merchants may need to provide sales staff with additional training on card acceptance procedures. Merchants should work with their acquirer to develop a detailed dispute-reduction plan which identifies the root cause of the dispute issue and an appropriate remediation action(s).

## When Dispute Rights Do Not Apply

### Compliance—Another Option

Sometimes, a problem between members is not covered under Visa's dispute conditions. To help resolve these kinds of rule violations, Visa has established the compliance process, which offers members another dispute resolution option. The Visa compliance process can be used when all of the following conditions are met:

- A violation of the *Visa Core Rules and Visa Product and Service Rules* has occurred.
- The violation is not covered by a specific dispute condition.
- The member incurred a financial loss as a direct result of the violation.
- The member would not have incurred the financial loss if the regulation had been followed.

### Typical Compliance Violations

There are many different violations that can be classified as a compliance issue. The list below offers a quick peek at some of the compliance violations most commonly cited.

- The merchant bills the cardholder for a delinquent account, or for the collection of a dishonored check.
- The merchant re-posts a charge after the card issuer initiated a dispute.
- The merchant insists that the cardholder sign a blank sales draft before the final dollar amount is known.
- A merchant does not hold a Visa account through an acquirer, but processes a transaction through another Visa merchant.

### Compliance Resolution

During compliance, the filing member must give the opposing member an opportunity to resolve the issue. This is referred to as pre-compliance. If the dispute remains unresolved, Visa will review the information presented and determine which member has final responsibility for the transaction.

# 4 Dispute Conditions

## What's Covered

The dispute conditions are listed in numerical order.

- Condition 10.1 EMV Liability Shift Counterfeit Fraud
- Condition 10.2 EMV Liability Shift Non-Counterfeit fraud
- Condition 10.3 Other Fraud-Card Present Environment
- Condition 10.4 Other Fraud-Card Absent Environment
- Condition 10.5 Visa Fraud Monitoring Program
- Condition 11.1 Card Recovery Bulletin
- Condition 11.2 Declined Authorization
- Condition 11.3 No Authorization
- Condition 12.1 Late Presentment
- Condition 12.2 Incorrect Transaction Code
- Condition 12.3 Incorrect Currency
- Condition 12.4 Incorrect Account Number
- Condition 12.5 Amount
- Condition 12.6 Duplicate Processing/Paid by Other Means
- Condition 12.7 Invalid Data
- Condition 13.1 Merchandise/Services Not Received
- Condition 13.2 Cancelled Recurring
- Condition 13.3 Not as Described or Defective Merchandise/Services
- Condition 13.4 Counterfeit Merchandise
- Condition 13.5 Misrepresentation
- Condition 13.6 Credit Not Processed
- Condition 13.7 Cancelled Merchandise/Services
- Condition 13.8 Original Credit Transaction Not Accepted
- Condition 13.9 Non-receipt of cash or Load Transaction Value



## How to Use This Information

In this section, each dispute condition includes the following information:

### Why did I get this notification?

This section will help you understand what happened from the card issuer's perspective; that is, what conditions or circumstances existed that caused the card issuer to issue a dispute on the item.

### What caused the dispute?

This section looks at the dispute from the merchant's perspective; that is, what may or may not have been done that ultimately resulted in the item being disputed. The "Causes" sections are short and may be helpful to you as quick references and/or for training purposes.

### How should I respond?

This section outlines specific steps that merchants can take to help their acquirers respond to the dispute and under what circumstances—that is, circumstances where there is no remedy available—you should accept financial liability for the disputed item.

### How to avoid this dispute in the future?

This section will help you prevent or minimize future recurrence of the particular dispute condition, and address customer service and back office issues.



An overview of the dispute life cycle can be found in *Section 1: Getting Down to Basics*.

## DISCLAIMER

The dispute information in this section is current as of the date of printing. However, dispute procedures are frequently updated and changed. Your merchant agreement and *Visa Core Rules and Visa Product and Service Rules* take precedence over this manual or any updates to its information. For a copy of the *Visa Core Rules and Visa Product and Service Rules* visit [www.visa.com](http://www.visa.com).

## Condition 10.1

# EMV Liability Shift Counterfeit Fraud

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 10.1, EMV Liability Shift Counterfeit Fraud**.

---

### Why did I get this notification?

A cardholder is claiming that they did not authorize or participate in a transaction that you processed.

The cardholder's bank determined all of the following things occurred:

- The transaction was completed with a counterfeit card in a card-present environment,
- The card is a chip card, **and**
- Either of these things occurred:
  - The transaction did not take place at a chip-reading device.
  - The transaction was chip-initiated and, if the transaction was authorized online, your card processor did not transmit the full chip data to Visa in the authorization request.

### What caused the dispute?

The cardholder has a chip card, but the transaction did not take place at a chip terminal or was not chip read.

### How should I respond?

- The transaction took place at a chip terminal.  
Provide documentation to support that the transaction was chip read and evidence that the full chip data was transmitted.
- You agree the transaction did not take place at a chip terminal.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder stating that they no longer dispute the transaction.

### How to avoid this dispute in the future

- Make sure your terminal is EMV-compliant and the correct Cardholder Verification Method (CVM) was obtained. For example: signature, PIN, etc.
- Obtain an imprint for every card present transaction.
- Train your staff on the proper procedures for handling terminal issues.

## Condition 10.2

# EMV Liability Shift Non-Counterfeit Fraud

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 10.2, EMV Liability Shift Non-Counterfeit Fraud**.

---

### Why did I get this notification?

The cardholder's bank received a call from their cardholder who is insisting that they did not authorize or participate in a transaction that you processed. The cardholder's bank determined all of the following occurred:

- The transaction was completed in a card-present environment with a card that was reported lost or stolen,
- The transaction qualifies for the EMV liability shift,
- The card is a PIN-preferring chip card, **and**
- One of these actions transpired:
  - The transaction did not take place at a chip-reading device.
  - A chip-initiated transaction took place at a chip-reading device that was not EMV PIN-compliant.
  - The transaction was chip-initiated without an online PIN and was authorized online and the processor did not transmit the full chip data to Visa in the authorization request.

### What caused the dispute?

The most common cause of this dispute is that a PIN-preferring chip card was used either at a non-EMV terminal or a chip transaction was initiated without full chip data.

### How should I respond?

- The transaction took place at an EMV PIN compliant terminal.  
Provide documentation to support that the transaction took place at an EMV PIN compliant terminal.
- You agree the transaction was not completed at an EMV PIN-compliant terminal.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

- Make sure your terminal is EMV PIN-compliant and the correct Cardholder Verification Method (CVM) was obtained. For example: signature, PIN, etc.
- Obtain an imprint for every card present transaction.
- Train your staff on the proper procedures for handling terminal issues.

## Condition 10.3

### Other Fraud – Card-Present Environment

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 10.3, Other Fraud – Card-Present Environment**.

---

#### Why did I get this notification?

A cardholder is claiming that they did not authorize or participate in a key-entered or unattended transaction conducted in a card-present environment.

#### What caused the dispute?

The most common causes of this type of dispute are that you:

- Did not ensure that the card was either swiped or that the chip was read.
- Did not make a manual imprint of the card account information on the transaction receipt for a key-entered transaction.
- Completed a card-absent transaction, but did not identify the transaction as an internet or mail order/ phone order.

#### How should I respond?

- The card was chip-read or swiped and the transaction was authorized at the point of sale. Provide a copy of the authorization record as proof that the card's magnetic stripe or chip was read.
- A manual imprint was obtained at the time of sale. (Does not apply to the Europe region) Provide a copy of the manual imprint.
- You agree the transaction was not chip-read, swiped or manually imprinted. Accept the dispute.
- You have already processed a credit or reversal for the transaction. Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction. Provide your card processor with a letter or email from the cardholder that states they no longer dispute the transaction.

#### How to avoid this dispute in the future

- Make sure all card-present transactions are either chip-read or magnetic stripe-read.
- If you are unable to swipe or read the chip, make a manual imprint of the card.

## Condition 10.4

### Other Fraud – Card-Absent Environment

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 10.4, Other Fraud – Card-Absent Environment**.

---

#### Why did I get this notification?

The cardholder's bank has filed a dispute stating that their cardholder did not authorize or participate in a transaction conducted in a card-absent environment (i.e., internet, mail-order, phone-order, etc.).

#### What caused the dispute?

The most common causes of this type of dispute are:

<b>You:</b>	– Processed a card-absent transaction from a person who was fraudulently using an account number.
<b>The cardholder:</b>	– Had their account number taken by fraudulent means. – Due to an unclear or a confusing merchant name the cardholder believes the transaction to be fraudulent.

#### How should I respond?

- The transaction was authenticated with Visa Secure.  
Advise your card processor that the transaction was Visa Secure-authenticated at time of authorization.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed. For further details, refer to the Compelling Evidence Chart in *Section 5: Providing Compelling Evidence*.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

#### How to avoid this dispute in the future.

- For card-absent transactions, consider using all available Visa tools such as Visa Secure, CVV2 and the Address Verification Service (AVS) to help reduce fraud. Contact your card processor for more information on these important risk-management tools.
- Always request authorization for mail order, telephone order, internet, and recurring transactions, regardless of the dollar amount.
- Always make sure you properly identify card present and card absent transactions.

## Condition 10.5

### Visa Fraud Monitoring Program

Your card processor has notified you that the Visa Fraud Monitoring Program (VFMP) has identified a transaction that you processed. The dispute falls under **Condition 10.5, Visa Fraud Monitoring Program**.

---

#### Why did I get this notification?

Visa notified the cardholder's bank that the Visa Fraud Monitoring Program (VFMP) identified the transaction and the cardholder's bank has not successfully disputed the transaction under another dispute condition.

#### What caused the dispute?

Your business was entered into the VFMP and the issuer was permitted to dispute the fraudulent transaction.

#### How should I respond?

- You have already processed a creditor reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- You have already accepted a prior dispute for the same transaction.  
Provide details of the previously accepted dispute.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

## Condition 11.1 Card Recovery Bulletin

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 11.1, Card Recovery Bulletin**.

---

### Why did I get this notification?

The cardholder's bank determined that both of these occurred:

- You did not obtain an authorization on the transaction date, **and**
- The account number was listed in the Card Recovery Bulletin for the Visa region in which you are located.

### What caused the dispute?

You failed to check the Card Recovery Bulletin (CRB) when required.

### How should I respond?

- You agree the transaction was not authorized and the CRB was not checked  
Accept the dispute.
- Transaction took place at an EMV compliant terminal or contactless only acceptance device.  
Provide documentation to support that the transaction took place at an EMV PIN compliant terminal.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

Always review the CRB when the transaction is below your floor limit.

## Condition 11.2 Declined Authorization

Your card processor has notified you that an issuer is disputing a transaction that you processed. The dispute falls under **Condition 11.2, Declined Authorization**.

---

### Why did I get this notification?

You processed a transaction where you received a Decline or Pickup response, but you completed the transaction anyway.

### What caused the dispute?

The most common cause for this type of dispute is processing a transaction after a decline or card pickup response, you sent the transaction in your capture file without attempting another authorization request (commonly referred to as forced posting).

### How should I respond?

- You believe the transaction was authorized.  
Have your card processor provide evidence that the transaction was authorized online or offline via the chip.
- You agree the transaction was not authorized.  
Accept the dispute.
- You have already processed a creditor reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

- Always authorize every transaction in accordance with the Visa Rules.
- Train your staff on the proper procedures for handling terminal issues.



## Condition 11.3 No Authorization

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 11.3, No Authorization**.

---

### Why did I get this notification?

You processed a transaction where an authorization was required, but not obtained.

### What caused the dispute?

The most common causes for this type of dispute is you did not obtain any authorization or a sufficient authorization to cover the amount of the transaction.

### How should I respond?

- You obtained an authorization.  
Notify your card processor and provide documentation.
- You agree the transaction was not authorized.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

Always authorize every transaction in accordance with the Visa Rules. Train your staff on the proper procedures for handling terminal issues.

## Condition 12.1 Late Presentment

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 12.1, Late Presentment**.

---

### Why did I get this notification?

The transaction was completed past the required time limits.

### What caused the dispute?

The transaction was not sent to Visa within the timeframe required.

### How should I respond?

- You believe the transaction was completed within the time limit.  
Provide a copy of the receipt to support the transaction date.
- The transaction was completed later than the specified time limit.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

Send completed transactions to your card processor as soon as possible, preferably on the day of the sale or within the timeframe specified in your merchant agreement.

## Condition 12.2

### Incorrect Transaction Code

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 12.2, Incorrect Transaction Code**.

---

#### Why did I get this notification?

You sent a transaction with an incorrect transaction code (i.e., you meant to send a credit, but you actually sent a sale, or you meant to process a sale and sent a credit).

#### What caused the dispute?

You processed a debit when you should have processed a credit or you processed a credit when you should have processed a reversal.

#### How should I respond?

- You believe the transaction was processed correctly.  
Provide documentation that shows the transaction was processed correctly as a credit or debit to the cardholder's account.
- The transaction was processed incorrectly.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed. (Does not apply when credit was processed instead of a reversal.)
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

#### How to avoid this dispute in the future

Train your sales staff on the proper procedures for processing credits, debits and reversals.

## Condition 12.3 Incorrect Currency

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 12.3, Incorrect Currency**.

---

### Why did I get this notification?

You sent a transaction that was processed with an incorrect currency code or one of the following:

- The transaction currency is different from the currency transmitted through Visa.
- The cardholder was not advised or did not agree that Dynamic Currency Conversion (DCC) would occur.

### What caused the dispute?

There are two common causes for this type of dispute:

- The transaction currency is different from the currency transmitted through Visa.
- The cardholder claims that you failed to offer them a choice of paying in your local currency or that they declined paying in their local currency.

### How should I respond?

- You believe this was a properly processed DCC transaction.  
Provide your card processor with documentation such as:
  - Evidence that the cardholder actively chose DCC
  - A copy of the transaction receipt
- The transaction was processed incorrectly.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

Train your sales staff on the proper procedures for using different currency.

## Condition 12.4 Incorrect Account Number

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 12.4, Incorrect Account Number**.

---

### Why did I get this notification?

You either processed the transaction to an incorrect account number or did not authorize the transaction and it was processed to an account number not on the issuer's master file.

### What caused the dispute?

The incorrect account number was processed.

### How should I respond?

- You believe that the account number on the dispute matches the account number on your copy of the receipt.  
Provide a copy of the receipt and if the dispute relates to a transaction processed on an account number not on the issuer's master file provide a copy of the authorization log.
- The account number on the dispute does not match the account number on your copy of the receipt.  
Accept the dispute.
- Transaction was not authorized.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

Train your sales staff on the proper procedures for processing transactions, including the recommendation that all transactions be swiped, or chip read.

## Condition 12.5 Incorrect Amount

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 12.5, Incorrect Amount**.

---

### Why did I get this notification?

The cardholder submitted a claim to their bank that says one of the following things happened:

- The transaction amount is incorrect.
- An addition or transposition error was made when calculating the transaction amount.
- You altered the transaction amount after the transaction was completed without the consent of the cardholder.

### What caused the dispute?

You made a data entry error (i.e., keyed in the wrong amount, handwritten amount differs from printed amount).

### How should I respond?

- Transaction amount is correct.  
Provide supporting documentation (i.e., copy of transaction receipt).
- The transaction amount was incorrect.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

Train your sales staff on the proper procedures for processing transactions, including the recommendation that all transactions be swiped, or chip read.

## Condition 12.6

### Duplicate Processing

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 12.6.1, Duplicate Processing**.

---

#### Why did I get this notification?

The cardholder claims that a single transaction was processed more than once.

#### What caused the dispute?

There are four common causes for this type of dispute:

- You entered the same transaction into your terminal more than once.
- You electronically sent the same transaction capture batch to your card processor more than once.
- You deposited both the merchant copy and the acquirer copy of the transaction receipt.
- Two transaction receipts were created for the same purchase.

#### How should I respond?

- Transactions receipts are not duplicates.  
Provide information and documentation to show the two transactions are separate and are not for the same item or service.
- Transaction was duplicated.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that shows they no longer dispute the transaction.

#### How to avoid this dispute in the future

- Avoid entering a transaction more than once. If you do enter a transaction twice, credit the duplicate.
- Train your sales staff on the proper procedures for processing transactions, including how to credit duplicate transactions.
- Review transaction receipts before you deposit them.

## Condition 12.6

### Paid by Other Means

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 12.6.2, Paid by Other Means**.

---

#### Why did I get this notification?

The cardholder claims that they paid for the merchandise or service by other means (i.e. cash, check, other card, etc.).

#### What caused the dispute?

The cardholder initially gave you a Visa card as payment, but then decided to use cash, check, or another card after you completed the transaction.

#### How should I respond?

- Visa card was the only form of payment used.  
Provide the sales records or other documentation that shows no other form of payment was used.
- The cardholder did use another form of payment.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

#### How to avoid this dispute in the future

- If a customer asks to use another form of payment after you have processed the Visa card transaction, credit the Visa card transaction.
- Train your sales staff on the proper procedures for handling credits.



## Condition 12.7 Invalid Data

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 12.7, Invalid Data**.

---

### Why did I get this notification?

An authorization was obtained using invalid or incorrect data.

### What caused the dispute?

The common causes for this type of dispute:

- An authorization request contained an incorrect transaction date, MCC, merchant or transaction type indicator, Country or State Code, Special Condition Indicator, or other required field.

### How should I respond?

- The authorization did not contain invalid data.  
Provide the sales records or other documentation to support that the transaction was authorized with valid data.
- The authorization was obtained using invalid date.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

Ensure that you process all transactions with the proper data.

## Condition 13.1 Merchandise/Services Not Received

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 13.1, Merchandise/Services Not Received**.

---

### Why did I get this notification?

The cardholder claims that merchandise or services that they ordered were not received or that the cardholder cancelled the order as the result of not receiving the merchandise or services by the expected delivery date (or merchandise was unavailable for pick-up).

### What caused the dispute?

There are several common causes for this type of dispute:

- You did not provide the services.
- You did not send the merchandise by the agreed-upon delivery date, time or to the agreed upon location.
- You billed for the transaction before shipping the merchandise.
- You did not make merchandise available for pick-up.

### How should I respond?

- You delivered the merchandise or made it available for pickup by the agreed-upon date or agreed upon location.  
Provide documentation to prove that the cardholder or authorized person received the merchandise or services as agreed.
- Specified delivery date has not yet passed.  
Provide documentation to support the expected delivery date.
- Cardholder cancelled prior to expected date.  
Provide documentation to support you were able to provide merchandise or service and that the cardholder cancelled prior to the delivery date.
- Transaction represents a partial payment with balance due.  
Provide documentation to support additional payments due.
- You did not deliver the merchandise or provide the service as agreed.  
Notify your card processor that you accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

- If merchandise is going to be delayed, notify the customer in writing of the delay and expected delivery date. Allow the customer to cancel if they choose.
- If you are shipping merchandise without requesting proof of delivery, consider the costs and benefits of doing so compared to the value of the merchandise you ship. Proof of delivery or pick-up, such as certified mail or a carrier's certification that the merchandise was delivered to the correct address or picked up and signed for by the cardholder, will allow you to return the dispute if the customer claims the merchandise was not received.

## Condition 13.2

### Cancelled Recurring Transaction

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 13.2, Cancelled Recurring Transaction**.

#### Why did I get this notification?

A recurring transaction<sup>6</sup> was processed after it was cancelled or that the cardholder's account was closed.<sup>7</sup>

#### What caused the dispute?

There are several common causes for this type of dispute such as follows:

<b>The cardholder:</b>	<ul style="list-style-type: none"> <li>- Withdrew permission to charge the account.</li> <li>- Cancelled payment of a membership fee.</li> <li>- Cancelled the card account.</li> </ul>
<b>The cardholder's bank:</b>	<ul style="list-style-type: none"> <li>- Cancelled the card account.</li> </ul>
<b>You:</b>	<ul style="list-style-type: none"> <li>- Received notice that the cardholder's account was closed before the transaction was processed.</li> </ul>

#### How should I respond?

- Transaction was cancelled, but services were used.  
If the customer claimed they were billed after the services were cancelled, supply proof that the bill in question covered services used by the customer between the date of the customer's prior billing statement and the date the customer cancelled.
- The cardholder cancelled the service and you have not issued a credit.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder stating that they no longer dispute the transaction.

#### How to avoid this dispute in the future

- Train your sales and customer service staff on the proper procedures for processing recurring transactions, as these transactions are particularly susceptible to cardholder disputes.
- Always respond in a timely manner to customer requests relating to the renewal or cancellation of recurring transactions. Check customer logs daily for cancellation or non-renewal requests; take appropriate action to comply with them in a timely manner.
- Send a notification to the customer stating that his or her recurring payment account has been closed. If any amount is owed for services up.

<sup>6</sup> Includes installment for Europe region.

<sup>7</sup> Includes facilities withdrawn or deceased cardholder for Europe region.

## Condition 13.3

### Not as Described or Defective Merchandise/Services

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 13.3, Not as Described or Defective Merchandise/Services**.

---

#### Why did I get this notification?

The cardholder's bank received a notice from the cardholder claiming that the goods or services were one or more of these:

- Merchandise or services did not match the description on the transaction receipt or other documentation presented at the time of purchase.
- Merchandise or services are not the same as your verbal description (for a telephone transaction<sup>8</sup>).
- The merchandise was received damaged or defective.
- The cardholder disputes the quality of the merchandise or services.

#### What caused the dispute?

There are several common causes for this type of dispute:

- You sent the wrong merchandise to the cardholder.
- You sent the merchandise, but it was damaged during shipment.
- You inaccurately described the merchandise or services.
- You did not perform the services as described.

#### How should I respond?

- The merchandise or service was as described.  
Provide specific information (invoice, contract, etc.) to refute the cardholder's claims. Quality disputes are where the customer does not agree with the condition of merchandise or service received (e.g., a car repair situation or quality of a hotel room). There may be instances where you will need to obtain a neutral third-party opinion to help corroborate your claim against the cardholder. Provide as much specific information and documentation as possible to refute the cardholder's claims. It is recommended that you address each point that the cardholder has made.
- Returned merchandise was not received or services were not cancelled.  
Advise that you have not received the returned merchandise and the cardholder never attempted to return or cardholder has not cancelled services. However, double check your incoming shipping records to verify prior to response.

<sup>8</sup> This only applies for US Domestic, Canada Domestic and Interregional between Canada and US Regions.

- The merchandise was replaced or repaired.  
Provide evidence of the following:
  - The cardholder agreed to repair or replacement
  - Repair or replacement was received
  - The repair replacement has not since been disputed
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the creditor reversal include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

#### **How to avoid this dispute in the future**

- Ensure that the description of merchandise or services shown in advertisements, online, and transaction receipts, or used in telephone order-taking scripts are accurate, complete, and not misleading.
- Never refer the cardholder to the manufacturer in lieu of attempting to resolve the issue. The merchant of record is considered the liable party/point of contact for resolution.
- Merchants should keep in mind that their return policy has no bearing on disputes that fall under this dispute condition.

## Condition 13.4 Counterfeit Merchandise

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 13.4, Counterfeit Merchandise**.

---

### Why did I get this notification?

The merchandise was identified as counterfeit by the owner of the intellectual property or authorized representative, a custom's agency, law enforcement agency, other governmental agency, or a neutral third party expert.

### What caused the dispute?

You sold merchandise that has been identified as counterfeit.

### How should I respond?

- The merchandise was not counterfeit.  
Provide specific information and invoices to refute the cardholder's claims.
- The cardholder's complaint is valid.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder stating that they no longer dispute the transaction.

### How to avoid this dispute in the future

- Ensure that the goods are genuine.
- Merchants should keep in mind that their return policy has no bearing on disputes that fall under this dispute condition.

## Condition 13.5 Misrepresentation

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 13.5, Misrepresentation**.


---

### Why did I get this notification?

The cardholder's bank received a notice from the cardholder claiming that the terms of the sale were misrepresented.

### What caused the dispute?

The terms of sale were misrepresented for a transaction involving the following merchant types such as:

- Timeshare Reseller
- Debt Consolidation
- Credit Repair/Counseling
- Mortgage Repair/Modification/Counselling
- Foreclosure Relief Services
- Technical Services/Support
- Business Opportunities with income possibility
- Investment Products when merchant refuses to allow cardholder to withdraw available balance (e.g. binary options)
-  Trial Periods/One-off purchase where the cardholder was not clearly advised of any further billing

### How should I respond?

- The merchandise or services were not misrepresented.  
Provide documentation to prove the terms of sale were not misrepresented or for investments evidence that there are no funds to withdraw
- The merchandise or services were misrepresented.  
Accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

- Ensure that the description of merchandise or services shown in advertisements, online, and transaction receipts, or used in telephone order-taking scripts are accurate, complete, and not misleading.
- Merchants should keep in mind that their return policy has no bearing on disputes that fall under this dispute condition.



## Condition 13.6

### Credit Not Processed

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 13.6, Credit Not Processed**.

---

#### Why did I get this notification?

The cardholder's bank received a notice from the cardholder claiming that they received a credit or voided transaction receipt that has not been processed.

#### What caused the dispute?

The most common causes for this dispute are that you:

- Did not issue a credit.
- Issued the credit, but did not deposit the credit with your acquirer in time for it to appear on the cardholder's next statement.
- Have a transaction receipt that should have been voided/cancelled, but was processed.

#### How should I respond?

- The sale is valid and credit is not due.  
Provide documentation and refute the validity of the documentation supplied by the cardholder's bank.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

#### How to avoid this dispute in the future

Ensure that credits/reversals are processed promptly.

## Condition 13.7 Cancelled Merchandise/Services

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 13.7, Cancelled Merchandise/Services**.

---

### Why did I get this notification?

The cardholder's bank received a notice from the cardholder stating that they returned merchandise or cancelled services, but the credit has not appeared on the cardholder's Visa statement.

### What caused the dispute?

The most common causes for this dispute are that you:

- Did not issue a credit for the cancelled services or merchandise that was returned.
- Did not issue a credit because you do not accept returns, however you did not properly disclose your return policy.
- Did not process a cancellation for a timeshare within 14 days of the contract or receipt date.
- Did not process a properly cancelled a guaranteed reservation.

### How should I respond?

- You never received, or accepted, the returned merchandise.  
Provide evidence you refused the return of the merchandise.
- Your policies were properly disclosed.  
Provide documentation to support that your limited return or cancellation policy was properly disclosed and agreed to at the time of sale.
- The cardholder did not cancel according to your disclosed policy.  
Provide documentation to support that your limited return or cancellation policy was properly disclosed and how the cardholder did not cancel according to the disclosed policy.
- Cardholder continued to use services.  
Provide evidence to support.
- The cardholder's complaint is valid.  
Accept the dispute.
- You have already processed a credit for the transaction.  
Provide documentation of the credit; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

### How to avoid this dispute in the future

- Before asking the cardholder to sign a receipt, be sure your establishment's return/cancellation policy is clearly disclosed near the customer signature line on transaction receipts or other documentation that can be tied to the transaction. If the disclosure is on the back of the receipt, the cardholder must sign the front and initial the back by the disclosure statement.
- If your business has a limited return policy or does not allow returns at all, the words "no returns" or similar words must be on all copies of the transaction receipts and supplied to the cardholder for agreement before the transaction is completed with a signature or pin.
- For Internet transactions, the website must communicate its refund policy to the cardholder and require the cardholder to select either a "click to accept" or other acknowledgement button or check box or location for electronic signature to acknowledge the policy. The terms and conditions of the purchase must be displayed on the same screen view as the checkout screen used to present the total purchase amount or within the sequence of website pages<sup>9</sup> the cardholder accesses during the checkout process, or on the checkout screen near the submit or click to accept button.

<sup>9</sup> In the Europe Region, this may be a link to another website only if the link forms part of the "click to accept" acknowledgement and refers to the cancellation policy.

## Condition 13.8 Original Credit Transaction Not Accepted

Your card processor has notified you that a cardholder is disputing a credit transaction that you processed. The dispute falls under **Condition 13.8, Original Credit Transaction Not Accepted**.

---

### Why did I get this notification?

The original credit was not accepted.

### What caused the dispute?

Either the cardholder does not accept the credit, or the issuer does not allow Original Credit Transactions (OCT's) on certain types of cards due to local law.

### How should I respond?

- The credit transaction was reversed.  
Supply documentation or information to support.
- The dispute is valid.  
Accept the dispute.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

## Condition 13.9

### Non-Receipt of Cash or Load Transaction Value

Your card processor has notified you that a cardholder is disputing a transaction that you processed. The dispute falls under **Condition 13.9, Non-Receipt of Cash or Load Transaction Value**.

---

#### Why did I get this notification?

The cardholder's bank received a notice from the cardholder that they participated in the transaction, but did not receive cash or load transaction value, or received a partial amount.

#### What caused the dispute?

Cardholder did not receive the full cash withdrawal or received only partial amount.

#### How should I respond?

- The ATM did dispense the correct value of cash.  
Provide your card processor with a copy of the ATM cash disbursement transaction or load transaction record containing at least the following:
  - Account Number
  - Transaction time or sequential number that identifies the individual transactions
  - Indicator that confirms the ATM cash disbursement or load transaction value was successful
- The cardholder's complaint is valid.  
Notify your card processor that you accept the dispute.
- You have already processed a credit or reversal for the transaction.  
Provide documentation of the credit or reversal; include the amount and the date it was processed.
- The cardholder no longer disputes the transaction.  
Provide a letter or email from the cardholder that states they no longer dispute the transaction.

#### How to avoid this dispute in the future

- Reconcile ATMs in a timely manner and adjust out of balance machines accordingly.
- If you notice a discrepancy, process a credit/reversal.

# 5 Providing Compelling Evidence

---

## What's Covered

- Compelling Evidence and Merchant dispute response rights
- Issuer Compelling Evidence Requirements

Compelling evidence is the act of providing proof the cardholder participated in the transaction, received the goods or services, or benefitted from the transaction. It allows merchants or acquirers to provide additional types of evidence to try to support that the cardholder participated in the transaction, received goods or services, or otherwise benefited from the transaction. For airline and digital goods merchants, the merchant may be able to provide a remedy.

This section explains the dispute response processing requirements related to merchant compelling evidence.

## Compelling Evidence and Merchant Rights

Merchants will have a right to provide compelling evidence for the following dispute conditions:

- Condition 10.1 – EMV Liability Shift Counterfeit Fraud
- Condition 10.3 – Other Fraud – Card-Present Environment
- Condition 10.4 – Other Fraud – Card-Absent Environment
- Condition 13.1 – Merchandise/Services Not Received

#	Allowable Compelling Evidence <sup>10</sup>	Applicable Dispute Condition			
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment	13.1 Merchandise/ Services Not Received  Effective for Dispute Responses processed through 15 October 2021
1	Evidence, such as photographs or emails, to prove a link between the person receiving the merchandise or services and the Cardholder, or to prove that the Cardholder disputing the Transaction is in possession of the merchandise and/or is using the merchandise or services.			X	X
2	For a Card-Absent Environment Transaction in which the merchandise is collected from the Merchant location, any of the following: <ul style="list-style-type: none"> <li>- Cardholder signature on the pick-up form</li> <li>- Copy of identification presented by the Cardholder<sup>11</sup></li> <li>- Details of identification presented by the Cardholder</li> </ul>			X	X

<sup>10</sup> In the Europe Region, an Acquirer may present Compelling Evidence not listed in this table.

<sup>11</sup> A Merchant must not require positive identification as a condition of Card acceptance, unless it is required or permitted elsewhere in the Visa Rules.

#	Allowable Compelling Evidence <sup>10</sup>	Applicable Dispute Condition			
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment	13.1 Merchandise/ Services Not Received <small>Effective for Dispute Responses processed through 15 October 2021</small>
3	For a Card-Absent Environment Transaction in which the merchandise is delivered, evidence that the item was delivered to the same physical address for which the Merchant received an AVS match of Y or M. A signature is not required as evidence of delivery.			X	X
4	For an Electronic Commerce Transaction representing the sale of digital goods downloaded from a Merchant’s website or application, description of the merchandise or services successfully downloaded, the date and time such merchandise or services were downloaded, and 2 or more of the following: <ul style="list-style-type: none"> <li>– Purchaser’s IP address and the device geographical location at the date and time of the Transaction</li> <li>– Device ID number and name of device (if available)</li> <li>– Purchaser’s name and email address linked to the customer profile held by the Merchant</li> </ul>			X	X

<sup>10</sup> In the Europe Region, an Acquirer may present Compelling Evidence not listed in this table.



#	Allowable Compelling Evidence <sup>10</sup>	Applicable Dispute Condition			
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment	13.1 Merchandise/ Services Not Received <small>Effective for Dispute Responses processed through 15 October 2021</small>
4	<ul style="list-style-type: none"> <li>– Evidence that the profile set up by the purchaser on the Merchant’s website or application was accessed by the purchaser and has been successfully verified by the Merchant before the Transaction Date</li> <li>– Proof that the Merchant’s website or application was accessed by the Cardholder for merchandise or services on or after the Transaction Date</li> <li>– Evidence that the same device and Card used in the disputed Transaction were used in any previous Transaction that was not disputed</li> </ul>			X	X
5	For a Transaction in which merchandise was delivered to a business address, evidence that the merchandise was delivered and that, at the time of delivery, the Cardholder was working for the company at that address. A signature is not required as evidence of delivery.			X	X
6	For a Mail/Phone Order Transaction, a signed order form			X	

<sup>10</sup> In the Europe Region, an Acquirer may present Compelling Evidence not listed in this table.

#	Allowable Compelling Evidence <sup>10</sup>	Applicable Dispute Condition			
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment	13.1 Merchandise/ Services Not Received <small>Effective for Dispute Responses processed through 15 October 2021</small>
7	<p>For a passenger transport Transaction, evidence that the services were provided and <b>any</b> of the following:</p> <ul style="list-style-type: none"> <li>– Evidence that the ticket was received at the Cardholder’s billing address</li> <li>– Evidence that the ticket or boarding pass was scanned at the gate</li> <li>– Details of frequent flyer miles relating to the disputed Transaction that were earned or redeemed, including address and telephone number, that establish a link to the Cardholder</li> <li>– Evidence of any of the following additional Transactions related to the original Transaction: purchase of seat upgrades, payment for extra baggage, or purchases made on board the passenger transport</li> </ul>			X	X
8	<p>For Transactions involving a Europe Member, for an Airline Transaction, evidence showing that the name is included in the manifest for the departed flight and matches the name provided on the purchased itinerary</p>			X	

<sup>10</sup> In the Europe Region, an Acquirer may present Compelling Evidence not listed in this table.

#	Allowable Compelling Evidence <sup>10</sup>	Applicable Dispute Condition			
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment	13.1 Merchandise/ Services Not Received  Effective for Dispute Responses processed through 15 October 2021
9	<p>For a T&amp;E Transaction, evidence that the services were provided and either:</p> <ul style="list-style-type: none"> <li>- Details of loyalty program rewards earned and/or redeemed including address and telephone number that establish a link to the Cardholder</li> <li>- Evidence that an additional Transaction or Transactions related to the original Transaction, such as the purchase of T&amp;E service upgrades or subsequent purchases made throughout the T&amp;E service period, were not disputed</li> </ul>			X	X
10	<p>For a virtual Card Transaction at a Lodging Merchant, evidence of the Issuer’s payment instruction sent through Visa Payables Automation, containing all of the following:</p> <ul style="list-style-type: none"> <li>- Issuer statement confirming approved use of the Card at the Lodging Merchant</li> <li>- Payment Credential</li> <li>- Guest name</li> <li>- Name of the company (requestor) and either their phone number, fax number, or email address</li> </ul>			X	

<sup>10</sup> In the Europe Region, an Acquirer may present Compelling Evidence not listed in this table.

#	Allowable Compelling Evidence <sup>10</sup>	Applicable Dispute Condition			
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment	13.1 Merchandise/ Services Not Received Effective for Dispute Responses processed through 15 October 2021
11	For a Card-Absent Environment Transaction, evidence that the Transaction used an IP address, email address, physical address, and telephone number that had been used in a previous, undisputed Transaction			X	
12	Evidence that the Transaction was completed by a member of the Cardholder’s household or family			X	
13	Evidence that the person who signed for the merchandise was authorized to sign for the Cardholder or is known by the Cardholder				X
14	Evidence of one or more non-disputed payments for the same merchandise or service			X	
15	For a Recurring Transaction, all of the following: <ul style="list-style-type: none"> <li>– A legally binding contract held between the Merchant and the Cardholder</li> <li>– The Cardholder is using the merchandise or services</li> <li>– Evidence of a previous Transaction that was not disputed</li> </ul>			X	

<sup>10</sup> In the Europe Region, an Acquirer may present Compelling Evidence not listed in this table.

#	Allowable Compelling Evidence <sup>10</sup>	Applicable Dispute Condition			
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment	13.1 Merchandise/ Services Not Received  Effective for Dispute Responses processed through 15 October 2021
16	In the Europe Region, evidence that the Cardholder has been compensated for the value of the merchandise or services through another method				X
17	In the Europe Region, evidence that the initial Transaction to set up a wallet was completed using Visa Secure but any subsequent Transaction from the wallet that was not completed using Visa Secure contained all wallet-related Transaction data			X	
18	For a US Domestic Card-Present Environment Transaction that is key-entered and did not take place at a Chip-Reading Device, either: <ul style="list-style-type: none"> <li>– Evidence that the same Card used in the disputed Transaction was used in any previous or subsequent Transaction that was not disputed</li> <li>– Receipt, invoice, or contract with information that links to the identification presented by the Cardholder</li> </ul>	X	X		

<sup>10</sup> In the Europe Region, an Acquirer may present Compelling Evidence not listed in this table.

## Issuer Compelling Evidence Requirements

### How Issuers Must Address Compelling Evidence



With the compelling evidence rights for merchants comes the need to ensure issuers provide this information to their cardholders. If compelling evidence is provided by the acquirer, issuers must certify that they have contacted the cardholder to review the compelling evidence and provide an explanation of why the cardholder continues to dispute the transaction.

### Exception for transactions not involving Europe

For dispute condition 10.4, the issuer may certify that the cardholder name and address provided by the merchant do not match the issuers records. In this case, the merchant should accept the transaction or risk losing in Arbitration. Issuers will be required to provide certification through Visa Resolve Online.



<sup>10</sup> In the Europe Region, an Acquirer may present Compelling Evidence not listed in this table.

## Glossary

<b>Account number</b>	An issuer-assigned number that identifies an account in order to post a transaction.
<b>Acquirer</b>	A client that signs a merchant or disburses currency to a cardholder in a cash disbursement, and directly or indirectly enters the resulting transaction receipt into interchange.
<b>Address Verification Service (AVS)</b>	An optional VisaNet service through which a merchant can verify a cardholder's billing address before completing a transaction in a card-absent environment.
 <b>Address Verification Service (AVS)</b>	A VisaNet service through which a merchant can verify a cardholder's billing address before completing any one of the following: <ul style="list-style-type: none"> <li>– A mail/phone order or eCommerce transaction where merchandise or airline tickets will be delivered to the cardholder or the cardholder's designee, or where services were purchased.</li> <li>– A CPS/retail key-entry transaction</li> <li>– A CPS/account funding transaction or CPS/eCommerce basic transaction</li> <li>– A CPS/eCommerce preferred retail transaction</li> <li>– A CPS/eCommerce preferred hotel and car rental transaction</li> <li>– An Automated Fuel Dispenser (AFD) transaction (ZIP only inquiry)</li> <li>– A face-to-face environment transaction if the merchant has been qualified by Visa to use AVS (ZIP only inquiry)</li> </ul>
 <b>Address Verification Service (AVS)</b>	
<b>ATM</b>	An unattended magnetic-stripe, contactless or chip-reading terminal that has electronic capability, accepts pins, and disburses currency.
<b>Authorization</b>	A process where an issuer, a VisaNet processor, or Visa Stand-In Processing (STIP) approves a transaction. This includes offline authorization.
<b>Authorization Reversal</b>	A VisaNet message that cancels an approval response previously sent through the V.I.P. System as specified in the <i>Visa Core Rules and Visa Product and Service Rules</i> and applicable VisaNet manuals. An authorization reversal may be for the full amount of the previous authorization or an amount less than the previous authorization amount.
<b>"Call" or "Call Center" response</b>	A response to a merchant's authorization request indicating that the card issuer needs more information about the card or cardholder before a transaction can be approved. Also called a "Referral" response.


<b>Card acceptance procedures</b>	The procedures a merchant or merchant employee must follow during the point-of-sale transaction to ensure that a card and cardholder are valid.
<b>Card expiration date (Expiry)</b>	See “ <i>Good Thru</i> ” date.
<b>Cardholder</b>	An individual who is issued and authorized to use a card or virtual account.
<b>Card issuer</b>	A financial institution that issues Visa cards.
<b>Card-absent</b>	A merchant, market, or sales environment in which transactions are completed without a valid Visa card or cardholder being present. Card-absent is used to refer to mail order, telephone order (MO/TO), and Internet merchants and sales environments.
<b>Card-absent environment</b>	An environment where a transaction is completed under both of the following conditions: <ul style="list-style-type: none"> <li>- Cardholder is not present</li> <li>- Card is not present</li> </ul>
<b>Card-present</b>	A merchant, market or sales environment in which transactions can be completed only if both a valid Visa card and cardholder are present. Card-present transactions include traditional retail environments (department and grocery stores, electronics stores, boutiques, etc.) cash disbursements, and self-service situations, such as gas stations and grocery stores, where cardholders use unattended payment devices.
<b>Card-present environment</b>	An environment that comprises the conditions of either the face-to-face or unattended environments.
<b>Card Recovery Bulletin (CRB)</b>	A directory of blocked account numbers listed on the International Exception File, intended for distribution to merchants. The Card Recovery Bulletin may take one of the following forms: <ul style="list-style-type: none"> <li>- National Card Recovery Bulletin</li> <li>- National Card Recovery File</li> <li>- Regional Card Recovery File</li> </ul>
<b>Card security features</b>	The alphanumeric, pictorial, and other design elements that appear on the front and back of all valid Visa cards, as specified in the <i>Visa Core Rules and Visa Product and Service Rules</i> . Card-present merchants must check these features when processing a transaction at the point-of-sale to ensure that a card is valid.



<b>Card Verification Value (CVV)</b>	A unique check value encoded on the magnetic-stripe of a card to validate card information during the authorization process. The card verification value is calculated from the data encoded on the magnetic-stripe using a secure cryptographic process.
<b>Card Verification Value 2 (CVV2)</b>	A unique check value printed on the back of a card, which is generated using a secure cryptographic process, as specified in the <i>Payment Technology Standards Manual</i> . In certain markets, CVV2 is required to be present for all card-absent transactions.
<b>Chip</b>	An electronic component designed to perform processing or memory functions.
<b>Chip card</b>	A card embedded with a chip that communicates information to a point-of-transaction terminal.
<b>Chip-initiated transaction</b>	An EMV and VIS-compliant chip card transaction that is processed at a chip-reading device using full-chip data, and limited to Visa and Visa Electron Smart Payment Applications, or EMV and VIS-Compliant Plus applications.
<b>Chip-reading device</b>	A point-of-transaction terminal capable of reading, communicating, and processing transaction data from a chip card.
<b>Common Purchase Point (CPP)</b>	An individual merchant outlet where confirmed skimming has occurred on three or more account numbers either: <ul style="list-style-type: none"> <li>- Within 30 calendar days</li> <li>- As a testing point for active account numbers</li> </ul>
	
<b>Contactless Payment Terminal</b>	A point-of-transaction terminal that reads the magnetic-stripe data on a contactless payment chip through a Visa-approved wireless interface, and that includes magnetic-stripe-reading capability.
	
<b>Copy request</b>	A retrieval request that is processed through an electronic documentation transfer method.
<b>Credit receipt</b>	A receipt documenting a refund or price adjustment that a merchant has made or is making to a cardholder's account. Also called credit voucher.
<b>Credit transaction receipt</b>	A transaction receipt evidencing a merchant's refund or price adjustment to be credited to a cardholder's account.

<b>Counterfeit card</b>	<p>One of the following:</p> <ul style="list-style-type: none"> <li>- A device or instrument that is printed, embossed, or encoded so as to purport to be a card, but that is not a card because an Issuer did not authorize its printing, embossing, or encoding</li> <li>- An instrument that is printed with the authority of the issuer and that is subsequently embossed or encoded without the authority of the issuer</li> <li>- A card that an issuer has issued and that is altered or re-fabricated, except one on which the only alteration or re-fabrication comprises modification of the signature panel or cardholder signature</li> </ul>
<b>Dispute</b>	A transaction that an issuer returns to an acquirer.
<b>Disclosure</b>	Merchants are required to inform cardholders about their policies for merchandise returns, service cancellations, and refunds. How this information is conveyed, or disclosed, varies for card-present and card-absent merchants, but in general, disclosure must occur before a cardholder completes the transaction.
<b>Electronic Commerce Indicator (ECI)</b>	A value used in an eCommerce transaction to indicate the transaction's level of authentication and security, as specified in the applicable <i>Visa Secure Implementation Guide</i> .
<b>Exception file</b>	<p>A VisaNet file of account numbers that a client accesses online, for which the issuer has predetermined an authorization response. The Exception File supports:</p> <ul style="list-style-type: none"> <li>- Stand-In Processing (STIP)</li> <li>- Positive Cardholder Authorization Service (PCAS)</li> <li>- Production of the Card Recovery Bulletin (CRB)</li> </ul>
<b>Exception file</b>	A VisaNet file of account numbers for which the issuer has predetermined an authorization response, that a client accesses online.
<b>Expired Card</b>	A card on which the embossed, encoded, or printed expiration date has passed.
<b>Face-to-Face environment</b>	<p>An environment where a transaction is completed under all of the following conditions:</p> <ul style="list-style-type: none"> <li>- Card or proximity payment device is present</li> <li>- Cardholder is present</li> <li>- Individual representing the merchant or acquirer completes the transaction</li> </ul> <p>Transactions in this environment include the following:</p> <ul style="list-style-type: none"> <li>- Retail transactions</li> <li>- Manual cash disbursements</li> <li>- Visa Easy Payment Service (VEPS) transactions</li> </ul>

Transactions in this environment exclude the following:

- eCommerce transactions
- Mail/phone order transactions
- Recurring transactions
- Unattended transactions
-  Installment Billing Transactions

**Fallback transaction** An EMV chip card transaction initially attempted at a chip-reading device, where the device's inability to read the chip prevents the transaction from being completed using the chip card data, and the transaction is instead completed using an alternate means of data capture and transmission.

**Fallback transaction** A transaction occurring in either:

- An unattended environment, regardless of whether authorization is required
- A face-to-face environment between a compliant chip card and a compliant chip card reading device that is either not:
  - completed as a Full Data Transaction
  - initiated as a Full Data Transaction

**Firewall** A security tool that blocks access from the Internet to files on a merchant's or third party processor's server and is used to help ensure the safety of sensitive cardholder data stored on a server.


**Floor Limit** A currency amount that Visa has established for single Transactions at specific types of Merchant Outlets and Branches, above which Online Authorization or Voice Authorization is required.

**Fraud scoring** A category of predictive fraud detection models or technologies that may vary widely in sophistication and effectiveness. The most efficient scoring models use predictive software techniques to capture relationships and patterns of fraudulent activity, and to differentiate these patterns from legitimate purchasing activity. Scoring models typically assign a numeric value that indicates the likelihood that an individual transaction will be fraudulent.

**"Good Thru" date** The date after which a bankcard is no longer valid; it is embossed or printed on the front of all valid Visa cards. The Good Thru date is one of the card security features that should be checked by merchants to ensure that a card-present transaction is valid.

**High-risk electronic commerce merchant** An eCommerce merchant identified by the *Global Merchant Dispute Monitoring Program* or other Visa risk management initiatives (e.g., Merchant fraud or similar region-specific programs) that causes undue economic and goodwill damage to the Visa system.

<b>High-risk merchant</b>	A merchant that is at a high risk for disputes due to the nature of its business. As defined by Visa, high-risk merchants include direct marketers, travel services, outbound telemarketers, inbound teleservices, and betting establishments.
<b>Internet Protocol address</b>	A unique number that is used to represent individual computers in a network. All computers on the Internet have a unique IP address that is used to route messages to the correct destination.
<b>Issuer</b>	A client that enters into a contractual relationship with a cardholder for the issuance of one or more card products.
<b>Key-entered transaction</b>	A transaction that is manually keyed into a point-of-sale device. Card present key-entered transactions also require an imprint of the card and a signature, to verify that a card was present at the time of the transaction.
<b>Magnetic stripe</b>	A magnetic stripe on a card that contains the necessary information to complete a transaction.
<b>Magnetic-stripe reader</b>	The component of a point-of-sale device that electronically reads the information on a payment card's magnetic stripe.
<b>Mail Order/ Telephone Order (MO/TO)</b>	A merchant, market, or sales environment in which mail or telephone sales are the primary or major source of income. See also <i>Card-absent</i> .
<b>Merchant</b>	Any person, firm, or corporation which has contracted with an acquirer to accept Visa as payment for sale of goods or services.
<b>Merchant agreement</b>	A contract between a merchant and an acquirer containing their respective rights, duties, and obligations for participation in the acquirer's Visa or Visa Electron Program.
<b>Merchant Servicer (MS)</b>	A merchant servicer stores, processes, and/or transmits Visa account numbers on behalf of a member's merchant. Function examples include providing such services as online shopping cards, gateways, hosting facilities, data storage, authorization and/or clearing and settlement messages.
<b>Payment Card Industry Data Security Standard (PCI DSS)</b>	A set of comprehensive requirements that define the standard of due care for protecting sensitive cardholder information.
<b>Payment gateway</b>	A system that provides services to eCommerce merchants for the authorization and clearing of online Visa transactions.

<b>Personal Identification Number (PIN)</b>	See <i>PIN</i> .
<b>Pick-up response</b>	An authorization response where the transaction is declined and confiscation of the card is requested.
<b>PIN</b>	A personal identification numeric code that identifies a cardholder in an authorization request.
<b>Point-of-sale (POS) terminal</b>	The electronic device used for authorizing and processing Visa card transactions at the point of sale.
<b>Primary Account Number (PAN)</b>	See <i>Account Number</i> .
 <b>Printed number</b>	A four-digit number that is printed below the first four digits of the printed or embossed account number on all valid Visa cards. The four-digit printed number should begin with a "4," and be the same as the first four digits of the account number above it. The printed four-digit number is one of the card security features that merchants should check to ensure that a card-present transaction is valid.
<b>Processor</b>	A client, or Visa-approved non-member acting as the Agent of a member, that provides authorization, clearing, and/or settlement services for merchants and/or members. The <i>Visa Core Rules and Visa Product and Service Rules</i> refers to three types of processors: authorizing processors, clearing processors, and V.I.P. system users. See also <i>VisaNet processor</i> .
<b>Recurring Transaction</b>	Multiple transactions processed at predetermined intervals not to exceed one year between transactions, representing an agreement between a cardholder and a merchant to purchase goods or services provided over a period of time.
<b>Referral Response</b>	An authorization response where the merchant or acquirer is instructed to contact the issuer for further instructions before completing the transaction.
<b>Dispute Response</b>	A clearing record that an acquirer presents to an issuer through Interchange after a dispute.

<b>Skimming</b>	The replication of account information encoded on the magnetic-stripe of a valid card and its subsequent use for fraudulent transactions in which a valid authorization occurs. The account information is captured from a valid card and then re-encoded on a counterfeit card. The term “skimming” is also used to refer to any situation in which electronically transmitted or stored account data is replicated and then re-encoded on counterfeit cards or used in some other way for fraudulent transactions.
<b>Split tender</b>	The use of two forms of payment, or legal tender, for a single purchase. For example, when buying a big-ticket item, a cardholder might pay half by cash or check and then put the other half on his or her Visa credit card. Individual merchants may set their own policies about whether or not to accept split-tender transactions.
<b>Third Party Agents</b>	<p>An entity, not defined as a VisaNet processor, that provides payment-related services, directly or indirectly, to a member and/or stores, transmits, or processes cardholder data.</p> <p>No financial institution eligible to become a principal member of Visa may serve as a Third Party Agent.</p> <p>A Third Party Agent does not include:</p> <ul style="list-style-type: none"> <li>- Financial institutions that perform agent activities</li> <li>- Co-Branding or Affinity partners</li> <li>- Affinity Co-Brand Partners or Global Co-Branding Partners</li> <li>- Card manufacturers</li> <li>- Card personalizers</li> </ul>
<b>Third party processor</b>	A non-member organization that performs transaction authorization and processing, account record keeping, and other day-to-day business and administrative functions for card issuers and acquirers.
<b>Token</b>	Tokens are surrogate values that replace Primary Account Numbers (PANs) stored electronically throughout the payments ecosystem and can be used to securely conduct payment transactions.
<b>Transaction</b>	The act between a cardholder and a merchant or an acquirer that results in a transaction receipt, if applicable.
<b>Transaction receipt</b>	An electronic or paper record of a transaction (or a copy), generated at the point-of-transaction.
<b>Unsigned card</b>	A seemingly valid Visa card that has not been duly signed by the legitimate cardholder. Merchants cannot accept an unsigned card until the cardholder has signed it and the signature has been checked against valid government identification, such as a driver’s license or passport.

<b>Visa Easy Payment Service (VEPS)</b>	Visa point-of-transaction service that permits qualified Visa Easy Payment Service merchants to process small value transactions, as specified in the <i>"Country Level Visa Easy Payment Service Transaction Limits"</i> without requiring a cardholder verification method or the issuance of a transaction receipt unless requested by the cardholder in accordance with the procedures specified in the <i>Visa Core Rules and Visa Product and Service Rules</i> .
<b>Visa payWave</b>	A new payment method that sends card data wirelessly to a terminal reader. A cardholder simply holds their card in front of the reader. For many transactions, there is no need to sign a receipt or hand over the card. Visa payWave provides merchants and consumers with a number of benefits.
<b>Visa payWave Application</b>	A Visa application contained on a contactless chip that enables a contactless payment transaction to be performed, as specified in the Visa contactless payment specification.
<b>Visa Secure</b>	Visa Secure provides merchants with cardholder authentication on eCommerce transactions. It helps reduce eCommerce fraud by helping to ensure that the transaction is being initiated by the rightful owner of the Visa account. This gives merchants greater protection on eCommerce transactions.
<b>VisaNet processor</b>	A member, or Visa-approved non-member, that is directly connected to VisaNet and that provides authorization, clearing, or settlement services to merchants and/or members.
<b>Voice authorization</b>	An approval response obtained through interactive communication between an issuer and an acquirer, their VisaNet processors, or the International Automated Referral Service, through telephone or facsimile communications.
<b>Voice Authorization Center</b>	An operator-staffed center that handles telephone authorization requests from merchants who do not have electronic point-of-sale terminals or whose electronic terminals are temporarily not working, or who have transactions that require special assistance.

## Appendix 1: Training Your Staff

### Training is Good Business

Cardholders expect and depend on accurate, efficient card processing when shopping with a Visa merchant.

Your sales staff and customer service associates play a critical role in ensuring proper transaction processing. Ensuring that they receive regular and ongoing training in Visa card acceptance policies and procedures benefits everybody.

- Sales staff and customer service associates benefit because they are given the skills and knowledge they need to do their jobs accurately and confidently.
- You benefit because:
  - Customer service is enhanced, leading to increased sales.
  - You may have fewer fraudulent transactions, which reduces related losses.
  - You may have fewer transaction receipt copy requests, which reduces related expenses.

It is important that your sales staff and customer service associates understand the proper card acceptance procedures, which are easy to learn and can help you. Visa resources are available at your Visa.com regional site. Please visit [www.visa.com](http://www.visa.com) for the latest products and services for Visa merchants. No matter how much experience your employees have, you will find these materials very useful for teaching your staff.

Your customers will have used their cards with many different retailers and will expect their transactions to be processed in the same basic way at your business. By serving them quickly and efficiently they will have fewer reasons to complain or to dispute a transaction. Satisfied customers tend to remain loyal to your business, and return more often



## Appendix 2: Europe Region

Andorra	Latvia
Austria	Liechtenstein
Belgium	Lithuania
Bulgaria	Luxembourg
Croatia	Malta
Cyprus	Monaco
Czech Republic	Netherlands
Denmark	Norway (Including Bear Island)
Estonia	Poland
Faeroe Islands	Portugal (including Azores, Madeira)
Falkland Islands	Romania
Finland (including Aland Islands)	San Marino
France (including its "DOM-TOMs")	Slovakia
Germany	Slovenia
Gibraltar	South Georgia
Greece	South Sandwich Islands
Greenland	Spain (including Canary Islands, Ceuta, Melilla)
Hungary	Svalbard & Jan Mayen Is.
Iceland	Sweden
Republic of Ireland	Switzerland
Israel	Turkey
Italy	United Kingdom (including British Antarctic, Channel Islands [including Guernsey, Jersey], Isle of Man)
	Vatican City State

