



Dispute Management Guidelines for Visa Merchants



Contents

- Introduction 1
- 1. Getting Down to Basics4**
 - Disputes Overview 5
- 2. Disputes7**
 - Why Disputes Occur 8
 - Responding to Disputes 9
 - Minimizing Disputes 10
 - Visa Rules for Returns, Exchanges and Cancellations 14
 - Dispute Monitoring 16
 - When Dispute Rights Do Not Apply..... 17
- 3. Dispute Conditions.....18**
 - Condition 10.1 EMV Liability Shift Counterfeit Fraud 20
 - Condition 10.2 EMV Liability Shift Non-Counterfeit Fraud 21
 - Condition 10.3 Other Fraud – Card-Present Environment 22
 - Condition 10.4 Other Fraud – Card-Absent Environment 23
 - Condition 10.5 Visa Fraud Monitoring Program 25
 - Condition 11.1 Card Recovery Bulletin 26
 - Condition 11.2 Declined Authorization..... 27
 - Condition 11.3 No Authorization/Late Presentment Effective for Transactions completed on or after 13 April 2024..... 28
 - Condition 12.1 Late Presentment Effective through 12 April 2024..... 29
 - Condition 12.2 Incorrect Transaction Code 30
 - Condition 12.3 Incorrect Currency 31
 - Condition 12.4 Incorrect Account Number 32
 - Condition 12.5 Incorrect Amount 33
 - Condition 12.6 Duplicate Processing 34
 - Condition 12.6 Paid by Other Means 35
 - Condition 12.7 Invalid Data 36
 - Condition 13.1 Merchandise/Services Not Received 37
 - Condition 13.2 Cancelled Recurring Transaction 39
 - Condition 13.3 Not as Described or Defective Merchandise/Services..... 40
 - Condition 13.4 Counterfeit Merchandise..... 42
 - Condition 13.5 Misrepresentation..... 43

Condition 13.6 Credit Not Processed	45
Condition 13.7 Cancelled Merchandise/Services	46
Condition 13.8 Original Credit Transaction Not Accepted.	48
Condition 13.9 Non-Receipt of Cash at an ATM	49
4. Providing Compelling Evidence	50
Compelling Evidence and Merchant Rights	51
Issuer Compelling Evidence Requirements	56
Glossary	57
Appendix: Training Your Staff	63

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: 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 3: 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 4: Providing Compelling Evidence** – Discusses dispute response processing requirements related to merchant compelling evidence.
- **Glossary** – A list of terms used in the guide.
- **Appendix: Training Your Staff** – A reference to [Visa.com](https://www.visa.com) which offers resources that merchants can use for training their employees on card acceptance and fraud prevention procedures.

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 (US)
-  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

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 [Visa.com](https://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:

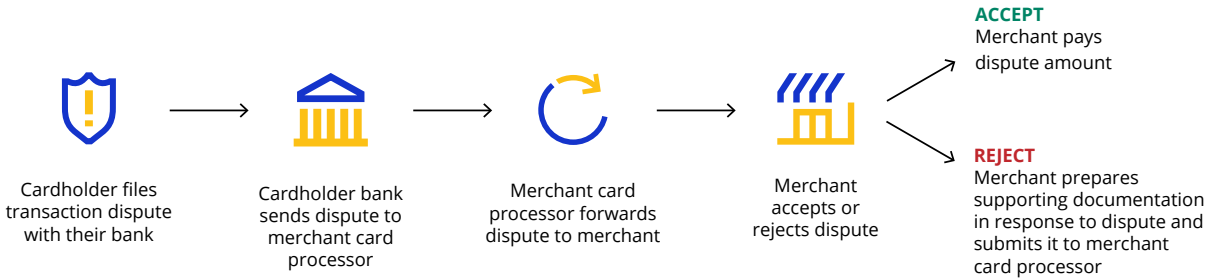
- Merchant failed to get an authorization
- Merchant failed to obtain card imprint (electronic or manual)
- Merchant processed the transaction incorrectly

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/ Late Presentment (Effective for Transactions completed on or after 13 April 2024)</p>	<p>12.1 – Late Presentment (Effective through 12 April 2024)</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 Transaction</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 at an ATM</p>

2 Disputes

What's Covered

- Why Disputes Occur
- Responding to Disputes
- 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 a dispute response. 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 3: Dispute Conditions](#).

Responding to Disputes

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 dispute by providing evidence showing the amount and the date the credit has been submitted/processed.

To help support validity of the transaction, it is essential to promptly supply all available details including relevant documentation at the initial dispute notification. Evidence must be legible (good scan copy) and in English or accompanied by an English translation,

With appropriate information, your acquirer may be able to respond back to the card issuer and address the dispute. Timeliness is also crucial 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, it may potentially lead to unfavorable outcome of the case.

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 verification method for a 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 payment credential 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 make it imperative that the item being scanned is more legible.
- **Fraudulent Card-Present Transaction.** If the cardholder is present and has the payment credential 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)¹ 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'. ²
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'. ²
Merchant does not participate or doesn't attempt to authenticate	The merchant is not 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.

¹ In certain markets, CVV2 is required to be present for all card-absent transactions.

² A Visa Secure merchant identified by the Visa Fraud Monitoring Program may be subject to disputes [Condition 10.5: Visa Fraud Monitoring Program](#).

Make Sure Customers Can Recognize Your Name on Their Bills

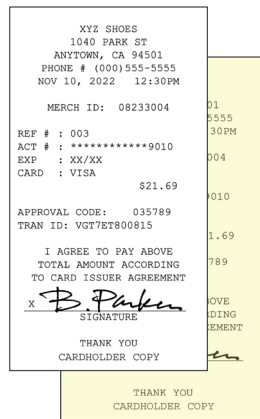
Cardholders must be able to look at their bank statements and recognize transactions that occurred at your establishment. Check with your acquirer to be sure it has the correct information on your “Doing Business As” (DBA) name, city, and state/region/province. You can check this information yourself 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 the transaction details. Similarly, you should make sure that any company logos or marketing messages on receipts are positioned away from transaction information.



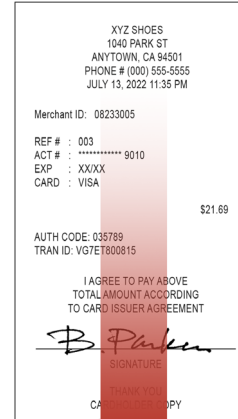
Handle carbonless paper and carbon/silver-backed paper carefully.



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



Change point-of-sale routinely.



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

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.
When customer withdrew permission to charge the account for a recurring transaction or, in the Europe Region, an installment transaction, you are prohibited from billing the Visa account after a cancellation request has been received and must ask for another form of payment from the cardholder if balance payment is due.

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. 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, refund 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 return or refund 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 return or refund policies at the time of a transaction could result in a dispute should the customer return the merchandise.

Common Disclosure Statement	What It Means
No Refunds or Returns or Exchanges	Your establishment does not issue refunds and does not accept returned merchandise or merchandise exchanges.
Exchange Only	Your establishment is willing to exchange returned merchandise for similar merchandise that is equal in price to the amount of the original transaction.
In-Store Credit Only	Your establishment takes returned merchandise and gives the cardholder an in-store credit for the value of the returned merchandise.
Special Circumstances	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.
Timeshare	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 contract date or the date the contract or related documents were received.

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 and acknowledged the policy in order for the disclosure to be proper.

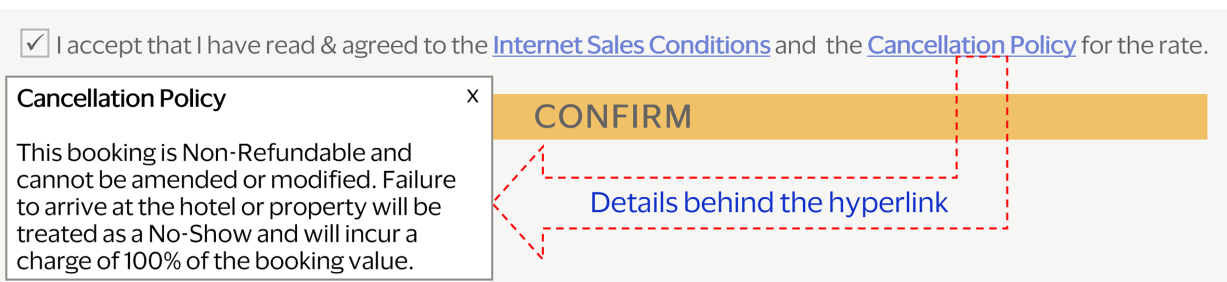
Internet or Application

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.

The image below is an example of valid proper disclosure. It illustrates the details or text behind the cancellation policy hyperlink, which is part of the “click to accept” acknowledgement:



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 remedies and reduction strategies.
- Track dispute activity as a proportion of sales activity.
- Include initial dispute amounts and net disputes after dispute response.
- 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 (MOTO) and Internet sales, these disputes should also be monitored separately.

Visa Dispute Monitoring Programs

Visa monitors all merchant dispute activity on a monthly basis and notifies acquirers when any of their merchants have 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 clients is not covered under Visa's dispute conditions. To help resolve these kinds of rule violations, Visa has established the compliance process, which offers clients 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* occurred.
- The client has no Dispute, Dispute Response, or pre-Arbitration right.
- The client incurred or will incur a financial loss as a direct result of the violation.
- The client would not have incurred the financial loss had the violation not occurred.

Typical Compliance Violations

There are many different violations that can be classified as a compliance issue. Here are some of the compliance violations most commonly cited:

- The merchant bills the cardholder for a delayed or amended charge without cardholder's consent.
- The cardholder was reimbursed twice for the same transaction as a result of a credit or reversal processed on or before a dispute that was processed through Rapid Dispute Resolution. For this violation it is the acquirer who initiates compliance against the issuer.
- The merchant processed a credit transaction without completing a previous retail transaction with the same cardholder and subsequently reversed the credit transaction after the funds have been depleted.
- A merchant key-entered multiple card-present transactions that occurred at the same merchant outlet and on the same date but the cardholder only acknowledges participation in at least one transaction.

Compliance Resolution

During compliance, the filing client must give the opposing party 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 client has final responsibility for the transaction.

3 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/Late Presentment Effective for Transactions completed on or after 13 April 2024
Condition 12.1	Late Presentment Effective through 12 April 2024
Condition 12.2	Incorrect Transaction Code
Condition 12.3	Incorrect Currency
Condition 12.4	Incorrect Account Number
Condition 12.5	Incorrect 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 Transaction
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 at an ATM

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](#).

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 on a counterfeit card.

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

- The transaction was completed in a card-present environment with a card that was reported as counterfeit,
- The transaction qualifies for the EMV liability shift,
- The card is a chip card, **and**
- Either of these things occurred:
 - The transaction did not take place at a chip-reading device (terminal entry capability code was not 5).
 - The transaction was chip-initiated and, the transaction was authorized online, however, the 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.
- The transaction did not take place at a chip terminal.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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.
- Chip cards are properly processed.
- 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?

A cardholder is claiming that they did not authorize or participate in a transaction that you processed on a lost or stolen card, or on a card not received as issued (NRI).

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

- The transaction was completed in a card-present environment with a card that was reported lost, stolen, or card not received as issued (NRI)
- 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 online authorized transaction was chip-initiated without an online PIN and the card 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.
- The transaction was not completed at an EMV PIN-compliant terminal.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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.
- Chip cards are properly processed.
- 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 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 the transaction was not properly identified as an internet or mail order/ phone order.

How should I respond?

- The card was swiped or chip-read 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 point of sale. (Does not apply to the Europe region) Provide a copy of the manual imprint.
- The transaction was not swiped, chip-read, or manually imprinted. Accept the dispute.
- Credit or reversal has already been processed for the transaction. Provide documentation of the credit or reversal that includes 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 all card-present transactions are either magnetic stripe-read or chip-read.
- If you are unable to swipe or read the chip, make a manual imprint of the card.
- Train your staff on the proper procedures for handling terminal issues.

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 is claiming that they 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:

- You processed a card-absent transaction from a person who was fraudulently using a payment credential.
- The cardholder had their payment credential taken by fraudulent means.
- Due to an unclear or 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.
- The cardholder has two or more completed transactions (settled 120 calendar days prior to the dispute) which the issuer did not report as Fraud Activity to Visa, with at least two data elements (device ID, device fingerprint, or the IP address) the same as the disputed transaction.

Provide the following details of the two previous transactions (settled between 120–365 calendar days prior to the dispute processing date) and the disputed transaction:

- Detailed description of merchandise or services purchased for the disputed Transactions and the 2 previous Transactions
- **Effective for Disputes Processed through 18 October 2024** Date/time the merchandise or services were provided
- **Effective for Disputes Processed on or after 19 October 2024** Date the merchandise or services were provided
- The same device ID, device fingerprint or the IP address and an additional one or more data elements (Customer account/login ID, Full delivery address, device ID, device fingerprint, or the IP address) used in previous transactions and disputed transactions.
- Documentation meeting the Compelling Evidence criteria is available. For further details, refer to the Compelling Evidence Chart in [Section 4: Providing Compelling Evidence](#).

- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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.

- 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 to 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 has been identified with excessive fraud levels and the issuer was permitted to dispute the fraudulent transaction identified by VFMP.

How should I respond?

- Issuer has initiated a prior dispute for the same transaction which you have already accepted.
Provide details of the previously accepted dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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.

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:

- There was no authorization obtained on the transaction date, **and**
- The payment credential 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 and completed the transaction without authorization request.

How should I respond?

- The transaction was not authorized and the CRB was not checked.
Accept the dispute.
- Transaction qualifies for the EMV liability shift and had taken place at an EMV compliant terminal or contactless only acceptance device.
Provide documentation to support that the transaction took place at an EMV compliant terminal.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes the amount and the date it was processed.

How to avoid this dispute in the future

- Make sure required authorization was obtained in accordance with the Visa Rules before completing any transaction.
- 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?

A transaction was processed after receiving a Decline or Pickup response.

What caused the dispute?

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

How should I respond?

- The transaction was authorized.
Have your card processor provide evidence that the transaction was authorized online or offline via the chip.
- The transaction was not authorized.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes the amount and the date it was processed.

How to avoid this dispute in the future

- Make sure required authorization is obtained in accordance with the Visa Rules before completing any transaction.
- Train your staff on the proper procedures for handling terminal issues.

Condition 11.3

No Authorization/Late Presentment Effective for Transactions completed on or after 13 April 2024

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/Late Presentment**

Why did I get this notification?

A transaction was processed without obtaining the required authorization, or the transaction was not processed within the required transaction processing time limit.

What caused the dispute?

There are four common causes for this type of dispute:

- An authorization was required but was not obtained.
- An authorization was obtained, but the transaction was processed for a higher amount.
- An authorization was obtained, but the transaction was not processed in time.
- An authorization was not required, and the transaction was not processed in time.

How should I respond?

- **The transaction was authorized:**
 - Have your card processor provide evidence that the transaction was authorized online or offline via the chip, or
 - Document to show that the transaction date initially used to process the transaction was incorrect and that the transaction was properly authorized.
- The transaction was completed within the time limit.
 - Provide a copy of the receipt or other evidence to disprove late presentment.
- The transaction was not authorized, or the transaction was completed later than the specified transaction processing time limit.
 - Accept the dispute.
- Credit or reversal has already been processed for the transaction.
 - Provide documentation of the credit or reversal that includes the amount and the date it was processed.

How to avoid this dispute in the future

- Make sure required authorization is obtained in accordance with the Visa Rules before completing any transaction.
- Train your staff on the proper procedures for handling terminal issues.
- 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 12.1

Late Presentment Effective through 12 April 2024

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 transaction processing time limits.

What caused the dispute?

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

How should I respond?

- 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 transaction processing time limit.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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?

The transaction was completed with an incorrect transaction code (i.e., you meant to send a credit, but you actually sent a sale, and vice versa or a credit refund was processed instead of a reversal or an adjustment).

What caused the dispute?

You processed a debit when you should have processed a credit (vice versa), or a credit was processed when you should have processed a reversal to correct a transaction that was processed in error.

How should I respond?

- The transaction was settled with the correct details.
Provide documentation that shows the transaction was processed correctly as a credit or debit to the cardholder's account or an explanation or documentation to support that the credit was not a result of a processing error on the original transaction.
- The transaction was processed incorrectly.
Accept the dispute.
- For a credit processed as a debit or a debit processed as a credit, a credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes the amount and the date it was processed. (Does not apply when credit was processed instead of a reversal.)

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?

The transaction was processed with an incorrect currency code (i.e., the transaction currency is different from the currency transmitted through Visa; or 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?

- Correct transaction currency was used to complete the 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.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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 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?

The transaction was processed using an incorrect payment credential.

What caused the dispute?

The incorrect payment credential was used to complete the transaction.

How should I respond?

- The payment credential on the dispute matches the payment credential on your copy of the receipt.
Provide a copy of the receipt and if the dispute relates to a transaction processed on a payment credential not on the issuer's master file, provide a copy of the authorization log.
- The payment credential on the dispute does not match the payment credential on your copy of the receipt.
Accept the dispute.
- Transaction was not authorized.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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?

An incorrect amount was keyed in to complete the transaction or the handwritten amount differs from printed amount.

How should I respond?

- Transaction amount is correct.
Provide supporting documentation (i.e., copy of the transaction receipt).
- The transaction amount used to settle the transaction was different from the actual amount due.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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 ensuring correct details are keyed in the terminal before submitting the transaction, 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 using the same Payment Credential on the same Transaction date, and for the same Transaction amount.

What caused the dispute?

There are four common causes for this type of dispute:

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

How should I respond?

- The charges represent two separate transactions/purchases.
Provide information and documentation to show the two transactions are separate.
- Cardholder made only one transaction confirmed by your records, but it was settled more than once.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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/processing a transaction more than once. If you do enter a transaction twice, reverse the duplicate transaction.
- Train your sales staff on the proper procedures for processing transactions, including how to reverse 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, the same card with discrepancies on the date and/or amount, 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 Visa card and other form of payment were for different merchandise or services.
Provide the sales records or other documentation to show that both payments were for different merchandises or services
- The charges represent two separate transactions/purchases.
Provide documentation to show the two transactions represent the purchase of separate merchandise or services.
- The transaction was paid using another form of payment.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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, reverse the Visa card transaction.
- Train your sales staff on the proper procedures for handling reversals.

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 request submitted with the correct/valid data.
Provide the sales records or other documentation to support that the transaction was authorized with valid data.
- The authorization was obtained using invalid data.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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 all transactions are processed with the correct data and your account is correctly set up with the proper information.

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 by the expected date (or merchandise was unavailable for pick-up).

What caused the dispute?

There are several common causes for this type of dispute:

- The merchandise was not delivered and received by the agreed-upon delivery date, time or to the agreed upon location.
- The merchandise was not available for pick-up at the agreed location or by agreed date.
- The services were not available and/or not provided to the customer.

How should I respond?

- The merchandise has been delivered /picked up 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.
- Airline transaction when the Cardholder is disputing the flight did not take place.
Provide documentation to prove that the flight departed.
- Transaction represents future services.
Provide documentation to show that merchant did not cancel and services were available.
- **Effective for Dispute Response on or after 19 October 2024**, For Transactions involving the acquisition of non-fiat currency or non-fungible token(s), the non-fiat currency or nonfungible tokens (NFT) was successfully delivered to the destination wallet address supplied by the cardholder at the time of the transaction.
Provide documentation to show one or more of the following:
 - Destination wallet address
 - Blockchain Transaction hash, which must be searchable/traceable on an open-source website
 - Prior approved similar transactions using the same Cardholder Account Number

- The merchandise or service was not delivered/provided to the customer.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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 to.
- 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.
- You may consider purchasing shipping insurance as additional protection for possible lost, stolen and/or damaged in transit.

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?

The Cardholder withdrew permission to charge the account for a recurring transaction³ or you or your card processor received notification that, before the Transaction was processed, that the cardholder's account was closed.⁴

What caused the dispute?

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

- The cardholder withdrew permission to charge the account.
- The cardholder cancelled the card account.
- The cardholder's bank cancelled the card account.
- The transaction was processed after you received notice that the cardholder's account was closed.

How should I respond?

- Transaction was cancelled, but services were used.
Effective for Disputes processed on or after 19 October 2024, provide proof the cardholder used services after the withdrawal of permission to bill date and prior to the Dispute Processing Date.
- The cardholder withdrew their permission to charge the account for a recurring transaction and you have not issued a credit.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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 balance amount is owed for services already utilized, request another form of payment from the cardholder.

³ Includes in the Europe region, installment transaction.

⁴ Includes in the Europe region, withdrawn facilities or deceased cardholder.

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 is claiming that the merchandise 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 transaction⁵).
- The merchandise was received damaged or defective.
- For travel agency merchant using a Visa Commercial Card Virtual Account that has failed to honor the contractual agreement or the services provided by the travel agency merchant to the Virtual Account holder were not as described in the contractual agreement.
- 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 at the time of purchase.
- You did not perform the services as described.

How should I respond?

- The merchandise or services received by the customer were as described. Provide specific information or documentation (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.

⁵ Only applies to 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 to a replacement
 - Repair or replacement was received
 - The repair or replacement has since not been disputed
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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.
- **Effective for Dispute Responses processed on or after 19 October 2024**, For Transactions involving the acquisition of non-fiat currency or purchase of non-fungible token(s)
Provide evidence to prove the non-fiat currency or non-fungible tokens (NFT) received by the Cardholder matches the non-fiat currency or non-fungible token(s) that was described at the time of 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 customs agency, law enforcement agency, other governmental agency, or a neutral third-party expert.

What caused the dispute?

Merchandise received by the customer has been identified as counterfeit.

How should I respond?

- The merchandise was authentic/genuine and not counterfeit.
Provide specific information and invoices to refute the cardholder's claims.
- The cardholder's claim/complaint is valid.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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 and that the cardholder is also not required to return the merchandise.

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 is claiming that the terms of sale were misrepresented.

What caused the dispute?

- The terms of sale were misrepresented for a transaction at a merchant that is any of the following:
 - Timeshare Reseller or recovers a timeshare reseller fee.
 - Recovers, consolidates, reduces, or amends existing financial goods or services, including debt consolidation, credit repair/counseling, mortgage repair/modification/counseling, foreclosure relief services and credit card interest rate reduction services.
 - Technical Services/Support or computer software being sold using inaccurate ads or that contains malicious software downloads.
 - Suggests that an income will be generated or recommends that the cardholder purchases additional items to generate more income.
 - Advises the cardholder that funds can be recovered.
 - Outbound Telemarking.
- 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.
- Cardholder's claim is valid, and the merchandise or services provided were not as intended.
Accept the dispute.
- Cardholder agreed to future transactions.
Transaction relating to Card-Absent Environment where merchandise or digital goods have been purchased through trial period, promotional period or introductory offer or as a one-off purchase, provide documentation to prove the cardholder expressly agreed to future transactions and that you notified the cardholder of future transactions at least 7 days before transaction date
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal includes 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 is 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 not 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.
- The transaction is due for refund but has not yet been processed.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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 is claiming 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:

- No credit has been issued/processed for the cancelled services or merchandise that was cancelled or returned.
- No credit has been issued/processed due to returns not being accepted, however return policy was not properly disclosed to the customer.
- A Timeshare cancellation was not processed within 14 days of the contract or receipt date.
- A guaranteed reservation was cancelled and the customer was charged a No-Show Fee.

How should I respond?

- Return, refund, and cancellation 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 or merchandise was not returned.
Provide evidence to support.
- The cardholder's complaint is valid.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit that includes 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 transaction receipt or separate contract, be sure your establishment's return/cancellation policy is clearly disclosed near the customer signature line on the transaction receipts or on the separate contract that can be tied to the transaction. If the disclosure is on the back of the receipt or separate contract, 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 pages⁶ the cardholder accesses during the checkout process, or on the checkout screen near the submit or click to accept button.

⁶ 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.

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 original 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 at an ATM

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 at an ATM**.

Why did I get this notification?

The cardholder is claiming that they participated in the transaction, but did not receive cash or received a partial amount at the ATM.

What caused the dispute?

Cardholder did not receive the full or partial cash from an ATM withdrawal.

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 record containing at least the following:
 - Payment Credential
 - Transaction time or sequential number that identifies the individual transactions
 - Indicator that confirms the ATM cash disbursement was successful
- The cardholder's complaint is valid.
Accept the dispute.
- Credit or reversal has already been processed for the transaction.
Provide documentation of the credit or reversal that includes 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.

4 Providing Compelling Evidence

What's Covered

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

Compelling evidence is information or documentation provided by a Merchant or an Acquirer that attempts to prove that the cardholder participated in the transaction, received the goods or services, or benefitted from the transaction as specified in the table under [Compelling Evidence and Merchant Rights](#). Compelling Evidence does not mandate that Visa, the Issuer, or any other entity conclude that the Cardholder participated in the Transaction, received goods or services, agreed to Dynamic Currency Conversion, or otherwise benefitted from the Transaction.

This section explains the pre-arbitration attempt processing requirements related to a merchant providing 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

Item #	Allowable Compelling Evidence	Applicable Dispute Condition		
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment
1	Photographic or email evidence 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.	n/a	n/a	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"> - Cardholder signature on the pick-up form - Copy of identification presented by the Cardholder⁷ - Details of identification presented by the Cardholder 	n/a	n/a	X
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.	n/a	n/a	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"> - Purchaser's IP address and the device geographical location at the date and time of the Transaction - Device ID number and name of device (if available) 	n/a	n/a	X

⁷ A Merchant must not require positive identification as a condition of Card acceptance, unless it is required or permitted elsewhere in the Visa Rules.

Item #	Allowable Compelling Evidence	Applicable Dispute Condition		
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment
4	<ul style="list-style-type: none"> – Purchaser’s name and email address linked to the customer profile held by the Merchant – 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 – Evidence that the Merchant’s website or application was accessed by the Cardholder for merchandise or services on or after the Transaction Date – Evidence that the same device and Card used in the disputed Transaction were used in any previous Transaction that was not disputed 			
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.	n/a	n/a	X
6	For a Mail/Phone Order Transaction, a signed order form.	n/a	n/a	X
7	<p>For a passenger transport Transaction, evidence that the services were provided and any of the following:</p> <ul style="list-style-type: none"> – Evidence that the ticket was received at the Cardholder’s billing address – Evidence that the ticket or boarding pass was scanned at the gate – 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 – 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 	n/a	n/a	X

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

Item #	Allowable Compelling Evidence	Applicable Dispute Condition		
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment
8	<p>For a T&E Transaction, evidence that the services were provided and either:</p> <ul style="list-style-type: none"> - Details of loyalty program rewards earned and/or redeemed including address and telephone number that establish a link to the Cardholder - Evidence that an additional Transaction or Transactions related to the original Transaction, such as the purchase of T&E service upgrades or subsequent purchases made throughout the T&E service period, were not disputed 	n/a	n/a	X
9	<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"> - Issuer statement confirming approved use of the Card at the Lodging Merchant - Payment Credential - Guest name - Name of the company (requestor) and either their phone number, fax number, or email address 	n/a	n/a	X
10	<p>For a Card-Absent Environment Transaction or effective for pre-Arbitration attempts processed on or after 19 October 2024, an Original Credit Transaction (OCT), evidence that 3 or more of the following had been used in an undisputed Transaction:</p> <ul style="list-style-type: none"> - Customer account/login ID - Delivery address - Device ID/device fingerprint - Email address - IP address - Telephone number 	n/a	n/a	X

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

Item #	Allowable Compelling Evidence	Applicable Dispute Condition		
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment
11	Evidence that the Transaction was completed by a member of the Cardholder's household or family	n/a	n/a	X
12	Evidence of one or more non-disputed payments for the same merchandise or service	n/a	n/a	X
13	For a Recurring Transaction, evidence of all of the following: <ul style="list-style-type: none"> - A legally binding contract held between the Merchant and the Cardholder - The Cardholder is using the merchandise or services - A previous Transaction that was not disputed 	n/a	n/a	X
14	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.	n/a	n/a	X
15	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"> - Evidence that the same Card used in the disputed Transaction was used in any previous or subsequent Transaction that was not disputed - Copy of both: <ul style="list-style-type: none"> - Identification presented by the Cardholder⁷ - Receipt, invoice, or contract with information that links to the identification presented by the Cardholder 	X	X	n/a

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

Item #	Allowable Compelling Evidence	Applicable Dispute Condition		
		10.1 EMV Liability Shift Counterfeit Fraud	10.3 Other Fraud – Card-Present Environment	10.4 Other Fraud – Card-Absent Environment
16	<p>Effective 19 October 2024 For Transactions for the acquisition of non-fiat currency (for example: cryptocurrency) or purchase of a nonfungible token (NFT), any of the following:</p> <ul style="list-style-type: none"> – Destination wallet address – Blockchain transaction hash, which must be searchable/traceable on an open source website – Prior approved similar transactions using the same Payment Credential 	n/a	n/a	X

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

Issuer Compelling Evidence Requirements

How Issuers Must Address Compelling Evidence

Transactions involving issuer and merchant in the Europe Regions, 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 contact the cardholder to review the compelling evidence and provide information detailing how the Compelling Evidence has been addressed by the Cardholder and why the cardholder continues to dispute the transaction.

Transactions involving issuer or merchant in the Europe Region, issuer may pursue pre-arbitration by providing certification that they have contacted the cardholder to review the Compelling Evidence and provide an explanation of why the cardholder continues to dispute the transaction.



Transactions not involving issuer and merchant in the Europe Region, for dispute condition 10.4, the issuer may either:



- Certify that the cardholder name and address provided by the merchant do not match the issuers records, if the Compelling Evidence contains both cardholder name and physical address, they can. 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.
- Certify that it has contacted the Cardholder to review the Compelling Evidence, and provide an explanation of why the Cardholder continues to dispute the Transaction.

Glossary

Account number	An issuer-assigned Payment Credential that identifies an account in order to post a transaction
Acquirer	<p>A client that signs a Merchant or Payment Facilitator, provides a Cash Disbursement to a Cardholder, or loads funds to a Prepaid Card, and directly or indirectly enters a Transaction into Interchange. In the Europe Region: A client that either:</p> <ul style="list-style-type: none"> - Enters into an agreement with a Merchant for the display of any of the Visa-Owned Marks and the acceptance of Visa products and services - Disburses currency to a Cardholder, except where "Acquirer" is otherwise defined for the Europe Region in the Visa Rules
Address Verification Service (AVS)	<p>A service through which a Merchant verifies a Cardholder's billing address. Where a client uses Visa for processing, the Address Verification Service is a VisaNet service.</p>
Authorization	A process where an issuer, a VisaNet processor, Visa Scheme Processor, or Stand-In Processing (STIP) approves a transaction. This includes offline authorization.
Authorization Reversal	A V.I.P. System message that cancels an Approval Response.
Card acceptance procedures	The procedures a merchant or merchant employee must follow during the point-of-sale transaction to ensure that a card and cardholder are valid.
Card Recovery Bulletin (CRB)	<p>A directory of blocked payment credentials listed on the International Exception File, intended for distribution to merchants. The Card Recovery Bulletin may take one of the following forms:</p> <ul style="list-style-type: none"> - National Card Recovery Bulletin - National Card Recovery File - Regional Card Recovery File
Card Verification Value (CVV)	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.
Card Verification Value 2 (CVV2)	A unique check value generated using a secure cryptographic process that, when displayed, is displayed either statically or dynamically (referenced as dCVV2) on a Card or provided to a Virtual Account owner.
Cardholder	An individual who is issued a Card.

Card-absent	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 (MOTO), and Internet merchants and sales environments.
Card-absent environment	An environment where a transaction is completed under both of the following conditions: <ul style="list-style-type: none"> - Cardholder is not present - Card is not present
Card-present	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.
Card-present environment	An environment in which a Transaction is completed under all of the following conditions: <ul style="list-style-type: none"> - Card is present - Cardholder is present at the Merchant Outlet - Transaction is completed by either: <ul style="list-style-type: none"> - A representative of the Merchant or Acquirer - The Cardholder directly at an Unattended Cardholder-Activated Terminal
Chip	An electronic component designed to perform processing or memory functions that communicates with an Acceptance Device using a contact or Contactless interface and enables Visa Transaction processing or performs other Visa-approved functions.
Chip card	A card embedded with a chip that communicates information to a point-of-transaction terminal.
Chip-initiated transaction	An EMV-Compliant 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 and VIS-Compliant Plus applications.
Chip-reading device	An Acceptance Device capable of reading, communicating, and processing Transaction data from a Chip.
Contactless Payment Device	A payment device (including Contactless Cards, mobile telephones, and Visa Micro Tags) that uses a Visa-approved wireless interface to access a Payment Credential and that provides the ability to conduct a Contactless payment.

Counterfeit card	<p>One of the following:</p> <ul style="list-style-type: none"> - 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 - An instrument that is printed with the authority of the issuer and that is subsequently embossed or encoded without the authority of the issuer - 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
Credit transaction receipt	A transaction receipt evidencing a merchant's refund or price adjustment to be credited to a cardholder's account.
Dispute	A transaction that an issuer returns to an acquirer.
Dispute Response	A clearing record that an acquirer presents to an issuer through Interchange after a dispute.
Disclosure	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.
Electronic Commerce Indicator (ECI)	A value used in an eCommerce transaction to indicate the transaction's level of authentication and security.
Exception file  	<p>In the AP Region, Canada Region, CEMEA Region, LAC Region, US Region: A VisaNet file of payment credentials 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"> - Stand-In Processing (STIP) - Production of the Card Recovery Bulletin (CRB) <p>In the Europe Region: A file of payment credentials for which the Issuer has predetermined an Authorization Response, which a client accesses Online.</p>
Expired Card	A card on which the embossed, encoded, or printed expiration date has passed.

Face-to-Face environment	<p>An environment in which a Transaction is completed under all of the following conditions:</p> <ul style="list-style-type: none"> - Card or Contactless Payment Device used to complete the Transaction is present - Cardholder is present - Individual representing the Merchant or Acquirer is available to complete the Transaction
Fallback transaction	<p>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.</p>
Floor Limit	<p>A currency amount that Visa has established for a Transactions, above which Online Authorization is required.</p>
"Good Thru" date	<p>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.</p>
Issuer	<p>In the AP Region, Canada Region, CEMEA Region, LAC Region, US Region: A client that enters into a contractual relationship with a Cardholder for the issuance of one or more Card products.</p>
	<p>In the Europe Region: A client that issues a Card to a Cardholder and maintains the contractual privity relating to the Card with that Cardholder.</p>
Key-entered transaction	<p>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.</p>
Magnetic stripe	<p>A magnetic stripe on a card that contains the necessary information to complete a transaction.</p>
Mail Order Telephone Order (MOTO)	<p>Purchase in a Card-Absent Environment where a Cardholder orders goods or services from a Merchant by telephone, mail, or other means of telecommunication. See also <i>Card-absent</i>.</p>
Merchant	<p>In the AP Region, Canada Region, CEMEA Region, LAC Region, US Region: An entity that accepts a Card for the sale of goods/services or to originate funds transfers to another Visa or non-Visa account, and submits the resulting Transaction to an Acquirer for Interchange, directly or via a Payment Facilitator. A Merchant may be a single Merchant Outlet or represent multiple Merchant Outlets, including franchisees in a Franchise arrangement.</p>
	



In the Europe Region: An entity that enters into an agreement with an Acquirer for the acceptance of Cards for purposes of originating either payment Transactions or funds transfer Transactions under the Visa-Owned Marks.

For the purpose of the Visa Rules, transfer of title or ownership from a retailer to another entity momentarily before the goods/services are sold to the Cardholder (“flash title transfer”) does not qualify the entity as a Merchant.

Merchant agreement	A direct contract between a merchant and an acquirer or between a sponsored merchant and a payment facilitator containing their respective rights, duties, and obligations for participation in the acquirer’s Visa or Visa Electron Program.
Payment Card Industry Data Security Standard (PCI DSS)	A set of comprehensive requirements that define the standard of due care for protecting sensitive cardholder information.
Payment Credential	A number or other credential that identifies an account of a Cardholder for use in a Transaction.
Personal Identification Number (PIN)	A personal identification numeric code that identifies a cardholder in an authorization request originating at a Terminal with electronic capability .
Pick-up response	An authorization response where the transaction is declined, and confiscation of the card is requested.
Point-of-sale (POS) terminal	The electronic device used for authorizing and processing Visa card transactions at the point of sale.
Recurring Transaction	A Transaction in a series of Transactions that use a Stored Credential and that are processed at fixed, regular intervals (not to exceed one year between Transactions), representing Cardholder agreement for the Merchant to initiate future Transactions for the purchase of goods or services provided at regular intervals.
Third Party Agents	An entity, not defined as a VisaNet Processor or Visa Scheme Processor, that provides payment-related services, directly or indirectly, to a client and/or its Merchants or Sponsored Merchants or their agents.
Token	A type of Payment Credential issued in accordance with the EMV Payment Tokenization Specification – Technical Framework.

Transaction	The use of a Payment Credential to make a payment or otherwise exchange value between a Cardholder (or an Issuer) and a Merchant (or an Acquirer).
Transaction receipt	An electronic or paper record of a transaction (or a copy), generated at the point-of-transaction.
Visa Secure	A Visa-approved Authentication Method based on the 3-D Secure Specification.
VisaNet processor	A client that is directly connected to VisaNet and that provides authorization, clearing, or settlement services to merchants and/or clients.

Appendix: 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.

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](https://www.visa.com) regional site. Please visit [Visa.com](https://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.

Train Sales Staff

With proper transaction processing, some dispute conditions 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 and other related-documents signed by cardholder.

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.

