



How to fight fraud & reduce chargebacks

Fact Sheet



What is a High Risk Warning?

If a cardholder goes to their issuing bank and reports a fraudulent transaction on their account, rather than receiving an immediate chargeback, you may receive a High Risk Warning. This provides your business an opportunity to proactively refund the transaction and maintain low chargeback ratios. A high risk transaction being refunded does not guarantee there will not be a subsequent chargeback however, it reduces the chance that a subsequent chargeback will be issued. Where a chargeback is received after you have refunded the transaction then we will automatically represent the chargeback, also known as a fraud alert.



What is a chargeback?

Chargebacks are the full reversal of a transaction by the card issuer. A chargeback is generated when a cardholder disputes a transaction on their card statement.

A retrieval request also known as a «Copy request» or a «Request For Information» (RFI) is a request from the cardholder's issuing bank for copies of a signed sales receipt or other suitable documentation to prove the validity of a transaction. This is normally requested when the cardholder does not recognise a specific transaction on their card statement or if the cardholder's issuing bank has detected the transaction as potential fraud.



How long does a chargeback/retrieval request take?

The time scales vary for each chargeback reason and card scheme. A chargeback may be raised several months after the original transaction. The first chargeback time limit is generally calculated from one of two dates:

- The date the transaction is processed by the card scheme, or;
- The date of expected receipt of services (e.g., for travel services, the expected date of travel).

The first chargeback time limit begins on the calendar day following these dates, and the issuing bank typically has up to 180 days from this day to raise the chargeback. However, chargebacks and retrieval requests can occur at various time scales depending on the reason for the dispute as well as the financial offers surrounding the transactions.



What information is required to represent (dispute) a chargeback?

In order for a representment case to be considered for bank submission, the following details must be provided to us within 5 business days.

- A scanned document (referred to as a «sub draft») showing the card holder's information (name, address, card number, expiry date, cvv response, phone number, email address, ip number, etc.) and a description of the goods or services provided for this transaction.
- Providing any of these additional, optional items will increase your chances of winning a representment case:
 - A copy of a paper sales draft showing the card holder's signature.
 - A legible photocopy of the front and back of the customer's credit card.
 - A legible photocopy of the card holder's passport or driver's licence.
- Any additional proof of the order authorisation or merchant fulfilment, including any written correspondence regarding product fulfilment.



Further information

For a more detailed overview on what chargebacks are and how to protect yourself against fraud, visit: <http://www.cashflows.com/support/fraud>

Get in touch for more information on how to fight fraud & reduce chargebacks.