
Tyro EFTPOS

Chargebacks and Disputes Guide



What is a Chargeback?

A chargeback, also known as a reversal, occurs when a customer's bank reverses all or part of a transaction that was previously credited to your account. This usually happens when the customer has filed a chargeback dispute with his/her bank. A chargeback is granted to a cardholder by their issuing bank. In a dispute over a chargeback, the decision is ultimately made by the credit card company and Tyro cannot control the outcome.

The processing and investigation of chargebacks is governed by the Credit Card Schemes (Visa, MasterCard or American Express). This includes time-frames, transaction processing requirements and the acceptable documentation that banks and acquirers (such as Tyro) must submit.

Reasons for Chargebacks

- A cardholder's credit card number is stolen and used fraudulently.
- A customer states that your cancellation policy was not properly disclosed to them.
- A customer makes a purchase, but believes that you failed to fulfil your side of the agreement (eg. you did not send the item, the item sent was very different from your description, or the item was damaged when the customer received it).

How does Tyro notify me when a chargeback has been filed against me?

When Tyro is notified that a cardholder has filed a chargeback against you we immediately send an email to the address that you nominated for financial notifications.

It's important that you check this email address on a weekly basis.

What is the Chargeback/Dispute process?

1. The cardholder lodges a dispute with their bank.
2. The bank sends a Retrieval Request to Tyro.
3. Tyro sends an email to your nominated email for financial notifications, requesting a copy of the signed EFTPOS receipt or a tax invoice in case of MOTO (Mail Order/Telephone Order)* transactions. It is important that you respond to us promptly. Failure to respond within the specified timeframe (usually 14 days) may result in the value of the transaction being charged back to you.
4. If the cardholder's bank is not satisfied with the response, they may initiate a chargeback and debit Tyro for the chargeback amount.
5. Tyro sends an email to your nominated email address for financial notifications, requesting additional documentation to represent the chargeback. Again, it is important that you respond within the specified timeframe (usually 14 days).
6. Tyro represents the chargeback to the cardholder's bank using the documentation submitted by you.
7. If the chargeback is ruled in favour of the cardholder or we decide not to represent you in the chargeback dispute (at our own discretion), then Tyro will debit your nominated account for the chargeback amount. Should this occur, we will notify you via email.

It should be noted that all retrieval requests will not result in chargebacks. Further, it should be noted that all chargebacks do not need to be preceded by retrieval requests.

The cardholder's bank is entitled to chargeback a transaction even if a retrieval request has not been made.

How does Tyro help you dispute unwarranted chargebacks?

Although the credit card company ultimately decides whether or not a cardholder has a valid reason for filing a chargeback, Tyro will work with you to dispute unwarranted chargebacks and will attempt to recover funds associated with those chargebacks. In order to dispute unwarranted chargebacks, you must provide Tyro with appropriate evidence.

There are three ways you can send us evidence:

Email: chargebacks@tyro.com

Fax: 02 8907 1777

Post: Att. Chargebacks, Tyro Payments Limited, Level 1, 155 Clarence Street, Sydney NSW 2000

One of our chargeback specialists will combine the evidence provided by you with any other information Tyro may already have, and will dispute the chargeback where appropriate.

What evidence can I provide to support my chargeback dispute?

- Copy of the signed EFTPOS receipt for card present transactions
- Copy of the tax invoice for card not present (MOTO) transactions*
- Proof of delivery, such as online tracking numbers
- Copies of the original item description
- Proof that the cardholder was already refunded

- Proof that the cardholder was provided with a replacement product
- Correspondence with the cardholder or feedback from the cardholder
- Any agreements signed or accepted by the cardholder at time of purchase
- Any return policy that was communicated to the cardholder

Best practices for avoiding chargebacks

- Use a clear trading name on your receipts that the customer will recognise
- Make every effort to know your customer and to respond promptly to any customer service requests
- Keep records about the transaction and your customer, including email or other correspondence
- Respond promptly to requests for EFTPOS receipts and chargebacks.
- Provide legible documentation when responding to retrieval requests. Make sure you can see the truncated card number, transaction date, transaction amount and cardholder signature.
- Quickly process refunds for your customers. Refunds should be made to the same card used for the original sale. Avoid making refunds by cash or cheque for purchases made on credit/debit cards
- Your customer should always be made aware of a cancellation or refund policy in writing. Be sure to have your refund/cancellation policy clearly printed on the transaction receipt in close proximity to the signature line. It should also be stated on your website and in store. If you do not offer refunds or only offer in-store credit, this information should be included on your transaction receipt.

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- Always get signed proof of delivery. For delayed delivery make sure the signature is obtained from the cardholder at point of delivery.
 - Do not accept declined transactions.
Note: Do not split a declined transaction into smaller amounts to avoid authorisation, as this will result in chargeback.
 - Card Present Transactions: Dip, tap or swipe the customer's credit card through your terminal and ensure you obtain a signature from the cardholder for swipe and dip transactions where required. **DO NOT MANUALLY ENTER THE CARD NUMBER.**
Ask the cardholder for a different card.
 - Card Not Present Transactions (MOTO)*: Obtain as much information about the cardholder as possible. This can include full name, address, phone numbers, email address, credit card number, name of bank, expiry date, CCV, company name etc. Verify the name and address in the phone directory or via Google if the transaction appears unusual. It is advisable to obtain the cardholder's signature on some correspondence, eg. a faxed order confirmation.
 - Communicate with customers to try to establish mutually satisfactory solutions to problems relating to the quality of goods or services provided.
 - Verify the details of customers placing large or suspicious orders.
 - Only charge the customer's account when the goods are shipped.
If a delayed delivery is required, wait to process the transaction until goods are shipped.
 - Exercise caution when taking foreign orders. Orders from Asia, the Middle East and Africa may represent a higher risk.

- Always obtain authorisations and ensure the authorisation is for the full amount of the sale.

***The risk of all MOTO transactions (i.e. card not present) resides with the merchant, not the bank/acquirer or the cardholder.**

We recommend that you refer to the Fraud prevention page on the Tyro website (<http://tyro.com/fraud-prevention/>) for tips on avoiding fraud.