

Merchant
User Guide

Chargeback Timeframes

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Chargeback Timeframes

A Merchant Reference Guide



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Revision History

Date	Revision Summary	Page(s)
4/8/09	Manual Created to help simplify looking up information	All
12/31/09	PayPal updated with Representment Timeframes	10
	Maestro updated with Representment Timeframes	12
	Revision History Added	i
6/25/10	Per Bank Card Regulation Updates: <ul style="list-style-type: none"> • Updated MasterCard Codes: <ul style="list-style-type: none"> ○ 08 ○ 55 ○ 59 • Updated UKMaestro Code 29 	2-3 12
3/13/12	Mastercard:	2
	Removed code 01	3
	Added Reason Codes 70 & 71	
	Visa Updated codes: 30, 41, & 53, Updated codes : 60, 76, 78, 85, & 86 Wording updated for consistency on codes 62, 70, 71, 72, 73, 74, 75, 77, & 78	4 5
4/13/13	Updated Acquirer Time Frames	3
	MasterCard Time Frames Chart:	
	<ul style="list-style-type: none"> • Deleted Retired Code 35 	4
	<ul style="list-style-type: none"> • Deleted Retired Code 57 & 62 	5
	<ul style="list-style-type: none"> • Updated Code 60 Time frame 	5
	Visa Time Frames Chart:	
	<ul style="list-style-type: none"> • Deleted Retired Code 96 	7
	Discover Time Frames Chart:	
	<ul style="list-style-type: none"> • Deleted Retired Code AL & SV 	8
	<ul style="list-style-type: none"> • Updated Timeframes for all Discover codes 	8
<ul style="list-style-type: none"> • Deleted Retired Codes U02, U03, U11, U12, U18, U21, U23, U28, U31, U38, U99 	9	
Deleted UK Maestro/Solo section as these are now combined with MasterCard codes	13-14	
Updated to new Merchant Manual Format	All	

Table of Contents

Revision History	0
Chargeback Time Frames	2
Introduction	Error! Bookmark not defined.
Acquirer Time Frames	Error! Bookmark not defined.
Time frames by Chargeback Type and Reason Code	Error! Bookmark not defined.
MasterCard Chargeback Time Frames.....	3
Visa Chargeback Time Frames	4
Discover Chargeback Time Frames	6
JCB Time Frames	8
1 st Chargebacks	8
Representments	8
2 nd Chargebacks.....	8
Bill Me Later Time Frames	9
1 st Chargebacks	9
Representments	9
2 nd Chargebacks.....	9
PayPal Time Frames.....	10
1 st Chargebacks	10
Representments	10

Chargeback Time Frames

Introduction

The card associations have established time frames within which issuers and Acquirers must act or respond. Time frames vary by the card association, type of chargeback – Technical or Customer Dispute – and by the reason code associated with the chargeback.

Acquirer Time Frames

All representations must be received by the Payment Brands by the 45th calendar days. This timeframe is from the initiated date. Recourse requests must be received by Chase Paymentech on the **Due Date** indicated on the Chargeback Management online screen. This date is the 39th calendar day from the day the chargeback was initiated. The **Return by Date** is set to give Chase Paymentech sufficient time to process the recourse request and represent the chargeback within the 45 day time frame.

Time frames by Chargeback Type and Reason Code

The following charts indicate the reason codes, allowable time frames for chargeback processing and type of chargeback. Also included are the reason code descriptions and an indication of when the allowable timeframe begins.

MasterCard Chargeback Time Frames

Reason Code	Chargeback Type (T=Technical, C= Customer Dispute)	Description	Time Frame
02	T	Requested/Required Information Illegible or Missing	60 calendar days from the initiated date of retrieval request
07	T	Warning Bulletin File	45 calendar days from the transaction date
08	T	Requested/Required Authorization Not Obtained	90 calendar days from the transaction date
12	T	Account Number Not on File	45 calendar days from the transaction date
31	C	Transaction Amount Differs	120 calendar days from the transaction date
34	T or C	Duplicate Processing	120 calendar days from the transaction date
37	C	No Cardholder Authorization	120 calendar days from the transaction date
40	C	Fraudulent Processing of Transactions	120 calendar days from the transaction date
41	C	Cancelled Recurring Transaction	120 calendar days from the transaction date
42	C	Late Presentment	120 calendar days from the transaction date
46	T	Correct Currency Code Not Provided	120 calendar days from the transaction date
47	T or C	Exceeds Floor Limit, Not Authorized & Fraudulent Transaction	120 calendar days from the transaction date
49	T	Questionable Merchant Activity	120 calendar days from either the transaction date OR the global Security Bulletin date
50	C	Credit Posted as a Purchase	120 calendar days from the transaction date
53	C	Not As Described	120 calendar days from the transaction date OR 120 calendar days from the receipt date of delayed delivery of merchandise or services
54	C	Cardholder Dispute – Not elsewhere Classified	120 calendar days from the transaction date OR 60 calendar days from the issuer's receipt date of first cardholder notification of the dispute
55	C	Goods or Services Not Provided	120 calendar days from the expected date of delivery
59	C	No-Show, Addendum, or ATM Dispute	120 calendar days from the transaction date
60	C	Credit Not Processed	120 calendar days from the transaction date
63	C	Cardholder Does Not Recognize – Potential Fraud	120 calendar days from the transaction date
70	C	Chip Liability Shift	120 calendar days from the transaction date
71	C	Chip/Pin Liability Shift	120 calendar days from the transaction date

Visa Chargeback Time Frames

All time frames apply to both domestic and international chargeback transactions unless otherwise noted

Reason Code	Chargeback Type (T=Technical, C= Customer Dispute)	Description	Time Frame
30	C	Services Not Rendered or Merchandise Not Received	120 calendar days from one of the following: <ul style="list-style-type: none"> • the transaction date • the expected date of receipt or delivery • 15 days from the transaction date for when there is no expected date of receipt or delivery • the date the merchandise was received if it wasn't received on the agreed-upon date • the transaction date for the balance of a delayed-delivery transaction
41	C	Cancelled Recurring Transaction	120 calendar days from the date of transaction
53	C	Not As Described or Defective Merchandise	120 calendar days from the date of transaction or must wait 15 days from the date merchandise was returned
57	C	Fraudulent Multiple Transactions	120 calendar days from the transaction date
60	T	Requested Copy Illegible or Invalid	120 calendar days from the transaction date
62	C	Counterfeit Transaction	120 calendar days from the transaction date
70	T	Account Number on Exception File	75 calendar days from the transaction date
71	T	Declined Authorization	75 calendar days from the transaction date
72	T	No Authorization	75 calendar days from the transaction date
73	T	Expired Card	75 calendar days from the transaction date
74	T	Late Presentment	120 calendar days from the transaction date
75	C	Cardholder Does Not Recognize Transaction	120 calendar days from the transaction date

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Visa Chargeback Time Frames, Continued

Reason Code	Chargeback Type (T=Technical, C= Customer Dispute)	Description	Time Frame
76	T	Incorrect Transaction Code	120 calendar days from the transaction date
77	T	Non-Matching Account Number	75 calendar days from the transaction date
78	T	Service Code Violation	75 calendar days from the transaction date
80	T or C	Incorrect Transaction Amount or Account Number	120 calendar days from the transaction date
81	C	Fraudulent Transaction: Card Present Environment	120 calendar days from the transaction date
82	T or C	Duplicate Processing	120 calendar days from the transaction date
83	C	Fraudulent Transaction: Card Not Present Environment	120 calendar days from the transaction date
85	C	Credit Not Processed	120 calendar days from the transaction date or date of credit receipt or date of CH letter if credit receipt is unavailable or date issuer received CH letter if both credit receipt and CH are unavailable or undated
86	C	Paid by Other Means	120 calendar days from the transaction date
90	C	Services Not Rendered – ATM or Visa travel money programs transactions	120 calendar days from the transaction date
93	T	Merchant Fraud Performance Program (International Only)	120 calendar days from the date of the identification by the Merchant Fraud Performance Program

Discover Chargeback Time Frames

Effective October 23, 2009, processing rules for JCB USD currency transactions will be governed by Discover Chargeback Reasons Codes.

Reason Code	Type of Chargeback (F=Fraud, P=Processing Error, S= Service)	Description	Time Frame
AP	S	Recurring Payment	180 calendar days from the transaction date Cancellation date must have been at least 15 calendar days prior to the date the most recent disputed card sale posted to Cardholder's account
AW	S	Altered Amount	120 calendar days from the transaction date
CA	S	Cash Advance Dispute	120 calendar days from the transaction date
CD	S	Credit Posted as a Card Sale	120 calendar days from the transaction date
CR	S	Cancelled Reservation	Within 540 days of the transaction date
DA	P	Declined Authorization	120 calendar days from the transaction date
DP	S	Duplicate Processing	120 calendar days from the transaction date
EX	P	Expired Card	120 calendar days from the transaction date
IC	P	Illegible Sales Data	120 calendar days from the transaction date
IN	P	Invalid Cardholder Number	120 calendar days from the transaction date
IS	P	Missing Signature	120 calendar days from the transaction date
LP	P	Late Presentment	120 calendar days from the transaction date
NA	P	No Authorization	120calendar days from the transaction date
NC	S	Not Classified	365 calendar days from the transaction date
NR	P	Non-Response to Ticket Retrieval Request	90 calendar days from the initiated date of the retrieval
RG	S	Non-Receipt of Goods or Services	540 calendar days from the transaction date
RM	S	Cardholder Disputes Quality of Goods or Services	120 calendar days from the transaction date
RN1	S	Additional Credit Requested	120 calendar days from the transaction date
RN2	S	Credit Not Received	120 calendar days from the transaction date
TF	P	Violation of Operating Regulations	120 calendar days from the transaction date

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Discover Chargeback Time Frames, Continued

Reason Code	Type of Chargeback (F=Fraud, P=Processing Error, S= Service)	Description	Time Frame
UNR	F	Fraud – Non-Response to Ticket Retrieval Request	90 calendar days from the initiated date of the retrieval
U01	F	Fraud – Card Present Transaction	120 calendar days from the transaction date
U02	F	Fraud – Card Not Present Transaction	120 calendar days from the transaction date

JCB Time Frames

Effective October 23, 2009, processing rules for JCB USD currency transactions will be governed by Discover Chargeback Reasons Codes.

1st Chargebacks

The issuer has **120 calendar days** to initiate JCB chargebacks with the following exceptions:

- **Credit Not Received (G)** - may not be initiated until at least 60 calendar days but no more than 120 calendar days from the credit draft voucher date
- **Non-Receipt of Item (Q)**- may not be initiated until at least 21 calendar days but no more than 45 calendar days, from the date of the original retrieval request

Representments

Merchants have 39 calendar days to request recourse to Chase Paymentech under the following circumstances:

- Additional information can be provided to remedy the chargeback
- The documentation required from the issuer to support the chargeback was not received or was incomplete
- The chargeback was invalid
- The transaction reference number and/or the cardholder's account number was invalid
- The chargeback was misrouted (sent to Chase Paymentech in error)

2nd Chargebacks

The issuer may submit a 2nd chargeback to Chase Paymentech within **45 calendar days** of the 1st representment date under the following circumstances:

- It was incorrect or did not remedy the 1st chargeback
- The documentation required from Chase Paymentech (merchant) was not received or was incomplete
- Documentation missing from the 1st chargeback can be provided
- A different chargeback reason code, not apparent when the item was first charged back, is now apparent

The transaction reference number and/or the cardholder's account number was invalid or was not the same as the original and can be correctly provided

Bill Me Later Time Frames

1st Chargebacks

Bill Me Later usually has 120 calendar days to initiate chargebacks with some exceptions:

- Merchant Credit Not Processed (AI) – may be extended up to a year if customer returned merchandise or cancelled the service and no credit has been given
- Date of Discovery – BML may initiate a chargeback for any reason code within 60 days of a customer reporting a problem to Bill Me Later customer service

Representments

Merchants have 39 days to request recourse from Chase Paymentech under the following circumstances:

- Additional information can be provided to remedy the chargeback
- The documentation required from the issuer to support the chargeback was not received or was incomplete
- The chargeback was invalid
- The transaction reference number and/or the cardholder's account number was invalid
- The chargeback was misrouted (sent to Chase Paymentech in error)

2nd Chargebacks

Bill Me Later may submit a 2nd chargeback to Chase Paymentech within 45 calendar days of the representment date under the following circumstances:

- It was incorrect or did not remedy the 1st chargeback
- The documentation required from Chase Paymentech (merchant) was not received or was incomplete
- Documentation missing from the 1st chargeback can be provided
- A different chargeback reason code, not apparent when the item was first charged back, is now apparent

The transaction reference number and/or the cardholder's account number was invalid or was not the same as the original and can be correctly provided

PayPal Time Frames

1st Chargebacks

PayPal follows the same time frames as visa and MasterCard if the consumer is having their credit card debited by PayPal for the transaction.

PayPal also processes a type of chargeback called a “buyer’s complaint.” These are initiated within 45 days of the transaction date only if the consumer is having their bank account debited by PayPal for the transaction. These are initiated for the following 2 reason codes:

- R1 – Merchandise
- R2 - Non-Receipt

Representments

Merchants have 10 calendar days to request recourse to Chase Paymentech under the following circumstances:

- Additional information can be provided to remedy the chargeback
 - The chargeback was invalid
 - The transaction reference number and/or the cardholder’s account number was invalid
 - The chargeback was misrouted (sent to Chase Paymentech in error)
-