

TD Merchant Solutions

Frequently Asked Questions – Visa Claims Resolution (VCR)

What is Visa Claims Resolution (VCR)?

- Visa Claims Resolution (VCR) is the new VISA only chargeback resolution process. It's designed to help reduce timelines and simplify the dispute resolution process for the Merchant.

When will the new VCR start?

- The new process will be in place beginning April 15th, 2018.

What do the changes potentially mean for Merchants?

- Quicker turnaround time on disputes(chargebacks)
- Fewer disputes received in the Dispute Categories where Visa determines the cardholder/Issuing Bank liability
- Merchants will now be required to provide their written consent to move forward to Arbitration. The consent will be obtained via a new pre-arbitration dispute letter which TD Merchant Solutions (TDMS) will send out.

What documents should Merchants send to assist with ensuring a quicker turnaround time?

The exact documentation will vary by dispute, but examples of supporting evidence that may support your case are:

- Copy of the original transactions
- Emailed and/or text message communications between your business and the cardholder
- Signed copies of invoiced delivery slips
- Any credit to the cardholder or other proof of previously resolving this dispute with the cardholder
- Any other supporting evidence (e.g. pictures, etc.)

What happens to Visa chargebacks submitted prior to the April 15th date?

- Any Visa chargebacks submitted prior to April 15, 2018 will be handled under the previous legacy rules and timelines.

Are there any new terms Merchants need to be aware of?

- Yes, there are many new VISA only terms:
 - Dispute – has replaced the term Chargebacks
 - Dispute Response – has replaced the term Representment
 - Dispute Category – each reason code has been categorized under four categories
 - Dispute Condition – is the description of the Reason Codes

Are there any new Reason Code changes?

- Yes, Visa has provided a new list of Reason Codes and Conditions. See the charts below for the full listing.

Visa Reason Codes Quick Reference Guide

| Fraud – Category 10 | Authorization – Category 11 | Processing Errors – Category 12 | Consumer Disputes – Category 13 |
|---------------------------------------|-----------------------------|--|--|
| 62 - Counterfeit Transaction | 70 - Card Recovery Bulletin | 74 - Late Presentment | 30 - Services Not Provided or Merchandise Not Received |
| 81 - Fraud – Card Present Environment | 71 – Declined Authorization | 76 - Incorrect Currency or Transaction Code or Domestic Transaction Processing Violation | 41 – Cancelled Recurring Transaction |
| 83 – Fraud – Card Absent Environment | 72 – No Authorization | 77 – Non Matching Account Number | 53 – Not as Described or Defective Merchandise |
| 93 - Visa Fraud Monitoring Program | 73 – Expired Card | 80 – Incorrect Transaction Amount or Account Number | 85 – Credit Not Processed |
| | 78 – Service Code Violation | 82 – Duplicate Processing | 90 - Non Receipt of Cash or Load Transaction Value at ATM or Load Device |
| | | 86 – Paid by Other Means | |

Visa Conditions Quick Reference Guide

| Current Reason Code (Condition #) | New Dispute Condition | Current Reason Code (Condition #) | New Dispute Condition |
|-----------------------------------|---|-----------------------------------|--|
| 30 (1) | 13.1 Merchandise/Services Not Received | 76 (1) | 12.2 Incorrect Transaction Code |
| 41 (1) | 13.2 Cancelled Recurring Transaction | 76 (2) | 12.3 Incorrect Currency |
| 41 (2) | 13.2 Cancelled Recurring Transaction | 76 (3) | Compliance |
| 41 (3) | Removed | 76 (4) | 12.3 Incorrect Currency |
| 53 (1) | 13.3 Not as Described or Defective Merchandise/Services | 76 (5) | 12.3 Incorrect Currency |
| 53 (2) | 13.3 Not as Described or Defective Merchandise/Services | 76 (6) | 12.2 Incorrect Transaction Code |
| 53 (3) | 13.3 Not as Described or Defective Merchandise/Services | 77 (1) | 12.4 Incorrect Account Number |
| 53 (4) | 13.3 Not as Described or Defective Merchandise/Services | 77 (2) | 12.4 Incorrect Account Number |
| 53 (5) | 13.4 Counterfeit Merchandise | 78 (1) | 11.3 No Authorization |
| 53 (6) | 13.5 Misrepresentation | 80 (1) | 12.5 Incorrect Amount |
| 57 (1) | Compliance | 80 (2) | 12.5 Incorrect Amount |
| 62 (1) | Compliance | 80 (3) | 12.4 Incorrect Account Number |
| 62 (2) | 10.1 EMV Liability Shift Counterfeit Fraud | 81 (1) | 10.3 Other Fraud - Card-Present Environment |
| 62 (3) | Compliance | 81 (2) | 12.4 Incorrect Account Number |
| 70 (1) | 11.1 Card Recovery Bulletin | 81 (3) | 10.2 EMV Liability Shift Non-Counterfeit Fraud |
| 71 (1) | 11.2 Declined Authorization | 82 (1) | 12.6 Duplicate Processing/Paid by Other Means |
| 71 (2) | Compliance | 83 (1) | 10.4 Other Fraud - Card-Absent Environment |
| 71 (3) | Removed | 83 (2) | 12.4 Incorrect Account Number |
| 72 (1) | 11.3 No Authorization | 85 (1) | 13.6 Credit Not Processed |
| 72 (2) | 12.7 Invalid Data | 85 (2) | 13.7 Cancelled Merchandise/Services |
| 73 (1) | Removed | 85 (3) | 13.8 Original Credit Transaction Not Accepted |
| 74 (1) | 12.1 Late Presentment | 86 (1) | 12.6 Duplicate Processing/Paid by Other Means |
| 74 (2) | 12.1 Late Presentment | 90 (1) | 13.9 Non-Receipt of Cash or Load Transaction Value |
| 75 (1) | Removed | 93 (1) | 10.5 Visa Fraud Monitoring Program |

Where can Merchants find more information on reducing chargebacks and help to prevent fraudulent transactions?

- Below is a list of several self-serve pages for you.

TD Merchant Solutions information pages:

www.tdmerchantsolutions.com/chargebacks
www.tdmerchantsolutions.com/fraud
www.tdmerchantsolutions.com/resourcecentre

Visa Canada information page:

https://www.visa.ca/en_CA/support/small-business/dispute-resolution.html

How can Merchants contact TD Merchant Solutions?

Phone: 1-800-363-1163

Email: td.mschargebacksupport@td.com

Fax: 1-888-257-6908

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