

Chargeback Management

Easily manage the life-cycle of customer chargebacks and quickly resolve disputes

View Visa and Mastercard chargebacks and, for Mastercard transactions, raise chargeback requests and manage the lifecycle of your customers' charged-back transactions

A chargeback is a type of transaction dispute where a cardholder contacts their card issuer and requests their money back for an item or service purchased using their card. The cardholder can only dispute a charge on their account and request a chargeback where they have a valid reason. For example:

- Goods or services not received
- Goods or services not received as advertised, faulty or of an unsatisfactory quality
- The amount charged is incorrect
- Fraudulent transaction where the cardholder did not make the transaction and their card details were obtained fraudulently

In all instances, the cardholder should first contact the merchant to attempt to resolve their issue, for example, by asking the merchant to issue a refund or send a replacement item. Where the customer and merchant cannot agree on a resolution, the cardholder has the right to contact their card issuer and ask them to raise a chargeback. The card schemes (such as Visa and Mastercard) provide rules and processes, as well as systems to handle chargebacks.

Issuers can raise disputes and create chargebacks using the online dispute management administration portals provided by Mastercard and Visa. For Mastercard issuers in the UK/Europe, Thredd provides a service that enables you to create and manage chargebacks directly using Smart Client, our customer and account management portal. You can use Smart Client to create chargebacks, load chargeback-related files and evidence and respond to requests for information from the merchant acquirer.

You can view chargeback transactions on Smart Client and drill down to view details of any linked card transactions.

Features

View Chargebacks

- View both Visa and Mastercard chargebacks. See details of existing chargebacks, and transactions linked to a chargeback including presentment details.

MasterCom Interface

- For clients of Mastercard, Thredd provides Smart Client screens which allow you to create and manage dispute claims including sending a SAFE report to Mastercom for a fraudulent transaction.

Bulk Chargebacks

- For clients of Mastercard, you can use the Bulk Chargeback CSV template to raise a bulk chargeback request through Thredd.

Reduce Chargebacks

- Thredd provides fraud screening and card control tools to help you reduce the risk of chargebacks.

Fee Reporting

- Mastercard Chargeback fees are reported in the daily transaction XML file.

Secure

- Highly secure and PCI DSS compliant.

Benefits

Business Facing

- Empower your Customer Service Agents with an easy-to-use interface to view customers' chargeback transactions
- For Mastercard customers, create chargebacks and manage the full chargeback transaction life cycle

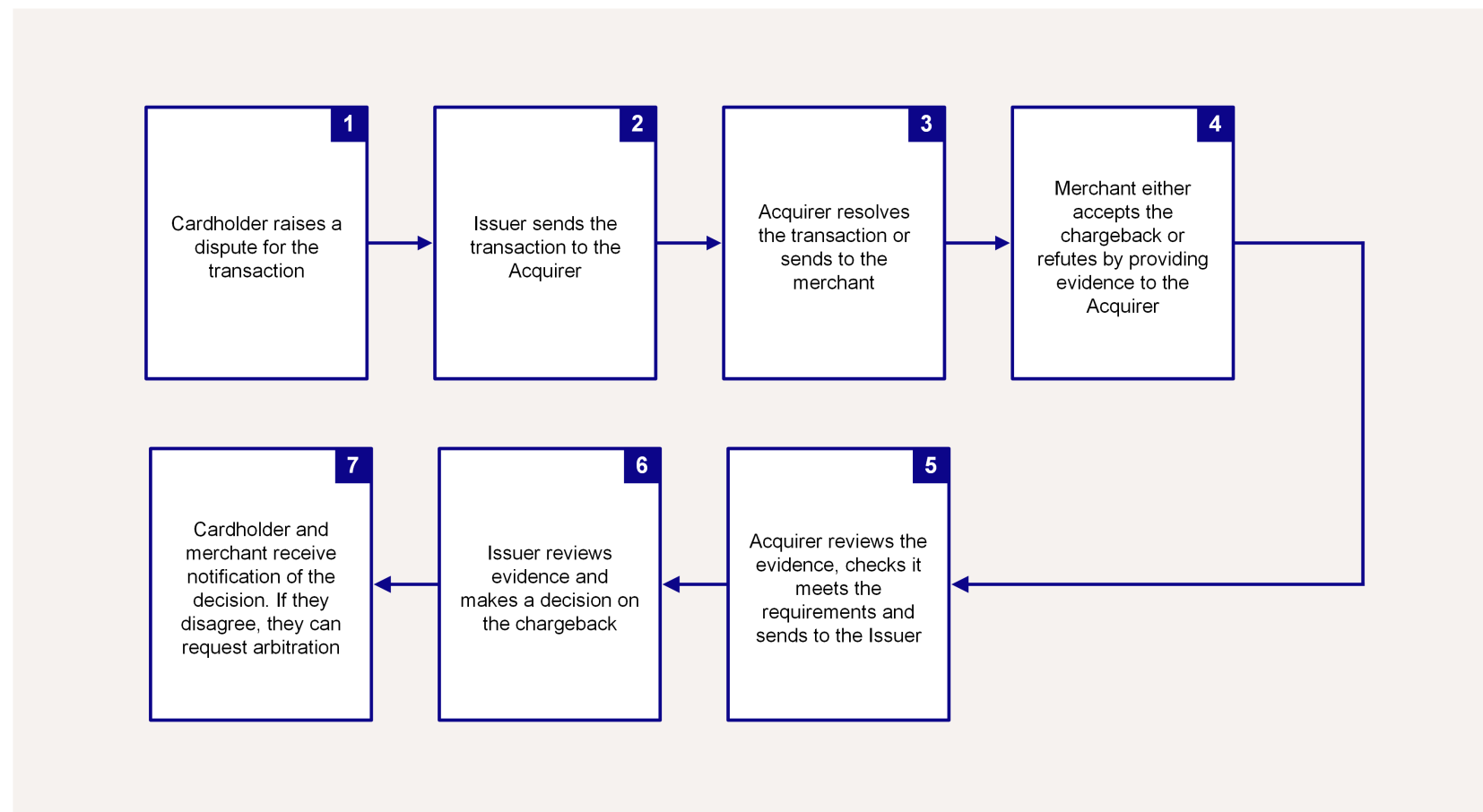
Customer Facing

- Up-to-date information about chargebacks to help customer service
- Visibility and clarity on chargeback status and fees



How it works

The figure below provides a summary of the chargeback process.



1. The cardholder disputes a transaction with their issuer (card issuing bank or their Program Manager).
2. Where required by scheme rules, the card issuer sends a retrieval request to the merchant's acquirer. This is a financial institute providing the merchant with a merchant trading account to obtain additional information.
3. The acquirer and issuer attempt to resolve the dispute if possible, for example, by issuing a refund, otherwise the acquirer sends a chargeback notification to the merchant.
4. The merchant either accepts the chargeback or refutes it. If they refute the chargeback, they must submit the necessary evidence through re-presentation.
5. The acquirer reviews the evidence, checks it meets the requirements and sends to the issuer.
6. The issuer reviews the new evidence and makes a final decision.
7. At this point, any party unhappy with the decision, can either request further review via pre-arbitration case filing or go directly to the arbitration case filing. If the acquirer and issuer cannot reach an agreement, the process enters arbitration. The card schemes will examine the evidence and make a final decision.



Setup At-a-Glance

There are two options available for managing your chargebacks.

Option 1: Using the Scheme UI

If you are a card issuer, or a Thredd Program Manager who has been provided access via your card issuer, you can use the Mastercard and Visa online systems to raise chargebacks and manage the dispute process. Mastercard offer the Mastercom Claims Manager, while Visa offer the Claims Resolution Visa system, also called the Visa Resolution Online (VROL) platform. These systems require you to be fully PCI DSS compliant, as full PAN is used.

Option 2: Using Thredd Smart Client

If you do not have access to the Mastercard or Visa systems or are unable or prefer not to use full PAN, Thredd provides a backend integration into these systems to enable receipt of the chargeback files that have been raised or responded to. You can view chargebacks transactions directly in Smart Client (the user interface for managing your Thredd account) as shown below:

Chargebacks

Token

Status

Show All

List Chargeback Status From

13-06-2021

To

18-09-2023

List

Presentments

Token	Issuer Reference	User Name	CB Status Date	CB Process	CB Process Descr	CB Process Status	Curren	Amoun
	0000260185	Perftest002	2021-01-18 ...	2021-01-18 ...	Request for ChargeBack -	Chargeback Request Raised (Intern...	GBP	
	0000260175	Perftest002	2021-01-11 ...	2021-01-11 ...	Request for ChargeBack -	Chargeback Request Raised (Intern...	GBP	
	0000260173	Perftest002	2021-01-10 ...	2021-01-10 ...	Request for ChargeBack -	Chargeback Request Raised (Intern...	GBP	
	260171	Perftest002	2021-01-09 ...	2021-01-09 ...	Request for ChargeBack -	Chargeback Request Raised (Intern...	GBP	
	0000259124	Mastercom	2020-11-30 ...	2020-11-30 ...	Request for ChargeBack (MasterCom)- F...	Chargeback Credited	USD	
	0000259123	Mastercom	2020-11-30 ...	2020-11-30 ...	Request for ChargeBack (MasterCom)- F...	Chargeback Credited	USD	

Select Scheme

Mastercom Bulk Chargeback

Close

For Mastercard transactions (currently Europe/UK only), you can raise and respond to chargebacks directly in Smart Client. Support for Visa and additional Mastercard jurisdictions are being added.

Before the Smart Client Chargeback service can be enabled:

- You must contact your issuer to request that they enable Thredd to use the Mastercom API data feed for your BIN codes.
- Costs for the service must be agreed with your Thredd account manager and added as an addendum to your Thredd contract.



FAQs

Q. Where can I find information about the card schemes' rules?

You can find out more about Visa and Mastercard's chargeback rules at the following links:

- Mastercard Chargeback Guide: <https://www.mastercard.us/content/dam/mccom/global/documents/chargeback-guide.pdf>
- Visa Chargeback Guidelines for Merchants: <https://usa.visa.com/dam/VCOM/download/merchants/chargeback-management-guidelines-for-visa-merchants.pdf>

Q. How does Thredd support chargebacks?

When a cardholder queries a transaction, you can use the Thredd Smart Client application to view details of the transaction. Smart Client also provides a facility to enable you to raise and manage chargebacks (note that this is only available for Mastercard issuers in Europe/UK at present).

Q. Can I use the card scheme's chargeback UI?

If you are a card issuer, or a Thredd Program Manager who has been provided access via your card issuer, you can use the Mastercard and Visa online systems to raise chargebacks and manage the dispute process. However, these systems require you to be fully PCI DSS compliant, as full PAN is used. If you do not have access to Mastercard or Visa's systems, or you cannot use full PAN, Thredd provides a backend integration into these systems via Smart Client.

Q. Does Thredd interface with Mastercom?

Thredd provides an interface to Mastercom via Smart Client, which means you do not need to develop your own Mastercom API integration. Mastercom offers Mastercard customers the ability to create and manage dispute claims. All activities for any given dispute can be tracked within a single claim, including Retrieval Request and Fulfilment, First Chargeback, Second Presentment, Fraud reporting, Case Filing and Fee Collection requests. All activities for any given dispute throughout its lifecycle can be tracked within a single claim.

Q. Where can I find out more?

Please contact your Thredd Business Development Manager or Thredd Account Manager to discuss.



Contact Us

Please contact us if you have queries relating to this document. Our contact details are provided below.

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