General Information Regarding Disputed Card Payments

It is possible for a disagreement regarding card transactions to be registered with the bank by an international or local payment system and/or a cardholder - a disputed card payment operation (the cardholder does not agree with a payment operation performed with their card, which may have various reasons).

Within the scope of a disputed card payment operation, the organization may become obligated to reimburse the amount of the disputed card payment operation.

The organization is obliged to submit documentation related to the disputed card payment operation to the bank, so that the bank can protect the organization's interests, including on the basis of submitting documentation to the international or local payment system.

Issues to Consider Regarding Card Payments

For a minimum of 13 months from the date of payment by the cardholder, you must keep documents related to the card payment (including Reversal / Refund operations), including:

- Card receipts;
- Invoice;
- The original purchase/service agreement and/or evidence confirming the cardholder's consent to the standard terms;
- Acceptance-delivery act and a detailed description/list of the products/services provided to the cardholder;
- Physical and electronic correspondence between the organization and the cardholder;
- Any other type of document, information, or data that may be related to the card operation.

If the card's PIN code was not used during the card operation, have the cardholder sign the payment confirmation receipt.

Considerations for Card Payments via Pre-authorization:

Pre-authorization is an additional function of a POS terminal that involves placing a temporary hold on the full or partial amount corresponding to the cost of the service/product on the cardholder's account before the card operation is completed. The pre-authorization can be completed upon receipt of the service or subsequently, by executing a card transaction within the limits of the held amount.

- Before executing a pre-authorization operation, provide the cardholder with complete, detailed, and clear information regarding the payment terms for the product/service and obtain their explicit consent to these payment terms. Retain this consent.
- If your field of activity involves vehicle rentals and/or related activities, you must obtain additional and explicit consent from the customer (including consent on the exact amount to be compensated) before charging the amount via pre-authorization to cover damages (losses) to a third party arising from vehicle damage or its operation.
- A partial pre-authorization must be completed using the physical card.
- If the pre-authorization is performed in the cardholder's presence, go through the cardholder identification process and verify that the cardholder is the same person who is to receive the service/product.

- If the pre-authorization is initiated and will be completed with a card, advise the cardholder to have the same card they used to initiate the pre-authorization, and complete the pre-authorization using that card.
- In the case of charging the amount without the card being present, have the cardholder sign the payment confirmation receipt.
- After the full service/product has been received, also have the cardholder sign an invoice confirming that they have paid by card and have fully received the service/product from the organization (for the amount paid). Also, indicate the last 4 digits of the card and the customer's contact information.
- Keep all documents that confirm the cardholder's consent to the pre-authorized charge on the card.

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Please note, the information presented in this document is for informational purposes only and is not a guarantee that a dispute related to a contested card payment will be resolved in the organization's favor.

For additional questions, contact us: (032) 2 444 401