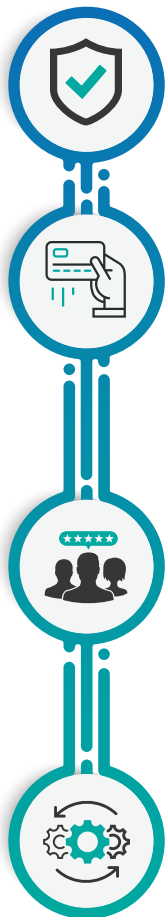




GUIDE TO MINIMIZING CHARGEBACKS

Every business that accepts credit cards is vulnerable to chargebacks—a transaction disputed by a cardholder or issuing bank—and the associated loss of revenue. The most common reasons for chargebacks are fraud, processing or authorization errors, and nonfulfillment of transaction receipts.

You can minimize, and even prevent, chargebacks by following these best practices:



PRIORITIZE SECURITY & USE THE TOOLS AVAILABLE TO YOU

- Maintain and update your PCI-DSS compliance.
- Use validation tools such as Address Verification Service and card security codes (CVV2, CVC2, etc.) to prevent fraudulent purchases.

FOLLOW PROPER PROTOCOLS FOR PROCESSING

- Process chip-enabled cards as chip payments (don't swipe).
- Always swipe non-chip cards.
- Handle declined cards with care; do not re-swipe or override—ask for alternative form of payment.
- Double-check the expiration date and verify cardholder's signature for card-present transactions.
- Obtain a valid authorization approval before completing the transaction.

KEEP YOUR CUSTOMER TOP-OF-MIND

- Go online to verify the shipping address.
- Validate the order by calling the customer or sending notification to the billing address.
- Use delivery confirmation to communicate order status to your customer and to protect yourself against a claim that the item(s) did not deliver.
- Properly disclose your refund policy, either on the receipt/invoice and require the cardholder to acknowledge their understanding of the policy and to select an "accept" confirmation as part of the transaction.

MANAGE YOUR BUSINESS OPERATION

- Use an automatic account updater that proactively identifies and updates new account numbers, expiration dates and contact information.
- Avoid duplicate transactions; if they occur, contact the credit card processor's customer service department to request that the duplicate transaction be reversed.
- Settle your transactions the same day they are generated.
- Cancel the recurring payments setting immediately upon a customer's request.
- Ensure your business name/city/state that appear on your receipt also match what appears on the cardholder's billing statement.
- Create your own list of unreliable customers, including their IP addresses.