



Understanding Disputes



Disputes are part of managing a business and can seem complicated. We're here to help make the process clearer.



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American Express
Disputes Process

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you're presented
with Inquiries &
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manage fraud

What we'll cover today



The American Express Disputes Process





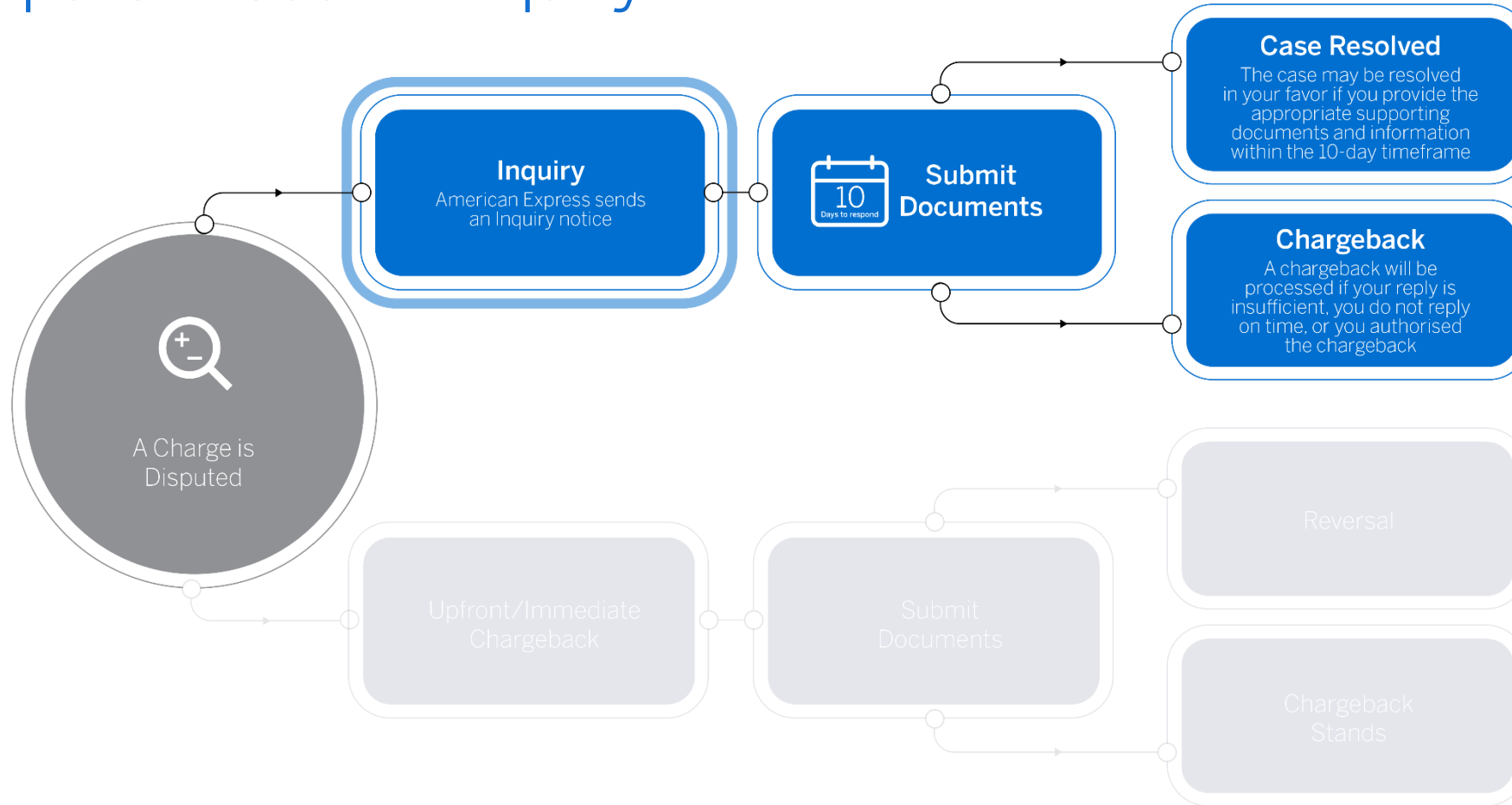
What is a Dispute?

When a Cardmember questions some aspect of an item on their billing statement, they can dispute the charge for a variety of reasons:





The Dispute Process: Inquiry





What is an Inquiry?

An Inquiry is a notification you receive asking for more information on a Transaction. We ask for your help, if we cannot resolve the Cardmembers' disputes using the information we have on file.

CLAIMS FORM

Details of the charge(s) in dispute are as follows:

Case Reference: D-23571366
File Reference: 008541416502370
376942XXXXX1007

**Business Partner's
Correspondence Address**

MUMBAI 400099
INDIA

American Express Banking Corp.
Cyber City,
Tower 'C', DLF Bldg. No. 8
Sector - 25, DLF City Phase, II
Gurgaon - 122 002, Haryana
Tel: 1800-419-1414 (Toll-Free) Or 0124-280-1414
Fax No. (0124) 280 1144
Website: www.americanexpress.co.in/merchant
27 July, 2021

Transaction Reference	Transaction Date	Reference Number
00000000774	26 July, 2021	

Merchant Number: 9822 [REDACTED] Your Reference: Lodging
Cardmember Number: 376942XXXXX1007 File Reference: 008541416502370
Cardmember Name: [REDACTED]
Our Reference Number: D-23571366

Dear Business Partner,

We're writing to let you know that one of our customers has questioned a charge from your business. We need your help to reach a resolution. You can find more information about this charge on the next page.

Your customer does not recognize this charge and has asked that you send additional support or information about the charge. To help us resolve this issue, please:

- Complete the Claims Form on the next page with all the relevant information
- Use a separate Claims Form for each inquiry and attach any additional documentation you have. Send your reply by fax or by mail to the above address no later than 16 August, 2021. If we do not receive your information by 16 August, 2021 your business may have to absorb the full cost of the disputed charge less discount and taxes.

Once we have received your documentation, we will forward the information to the customer for review. If the support is incomplete or incorrect, your business may have to absorb the full cost of the disputed charge less discount and taxes

on ___/___/___
on ___/___/___

disputed amount from my account to settle the dispute, supporting documentation.

It supports the transaction, including (if applicable):

Charge(s)

Revised repair bill

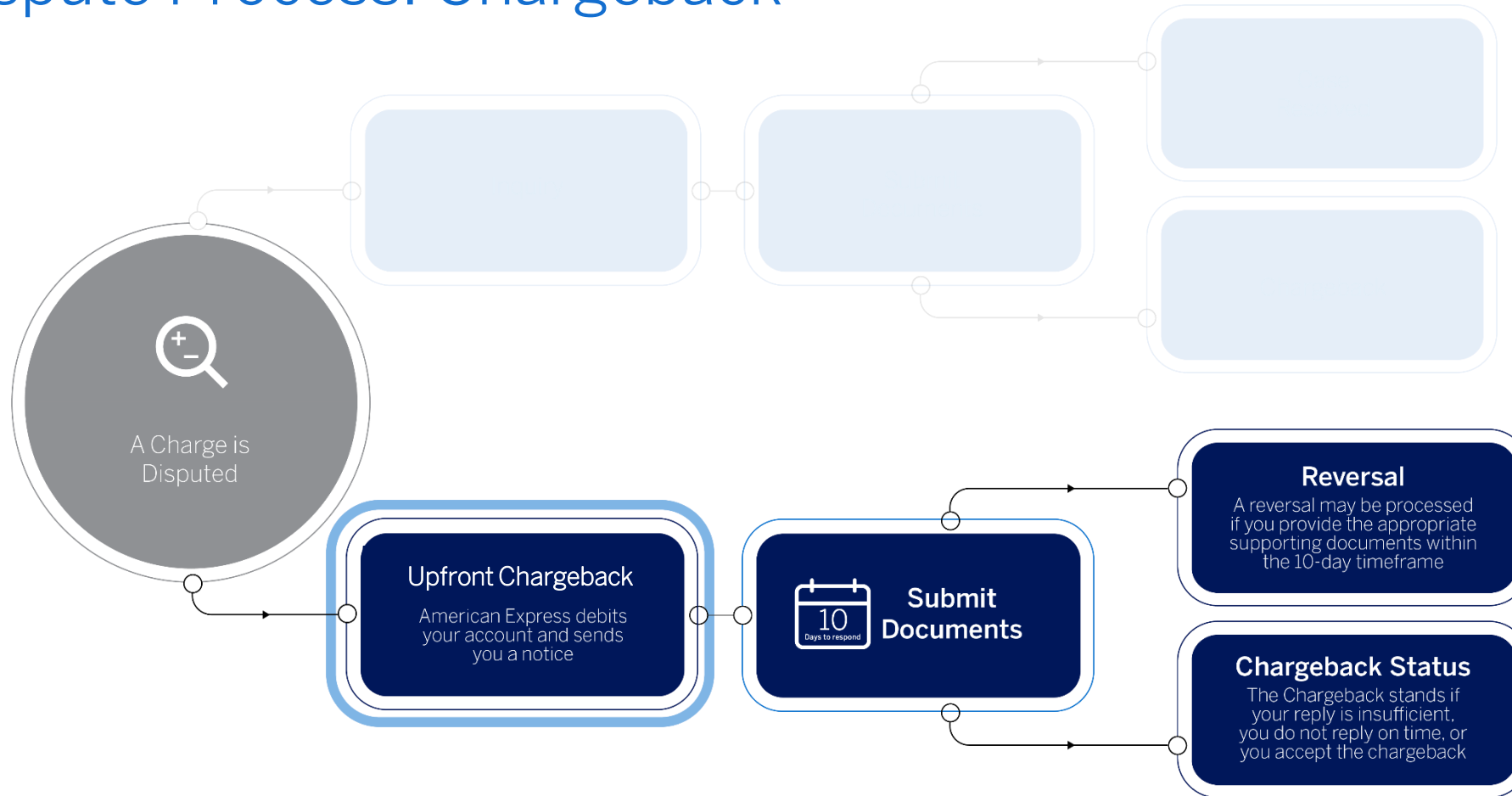
Receipt or reservation and received confirmation (if applicable)

Travel show policy (if applicable)

Delivery address and date (if applicable)



The Dispute Process: Chargeback





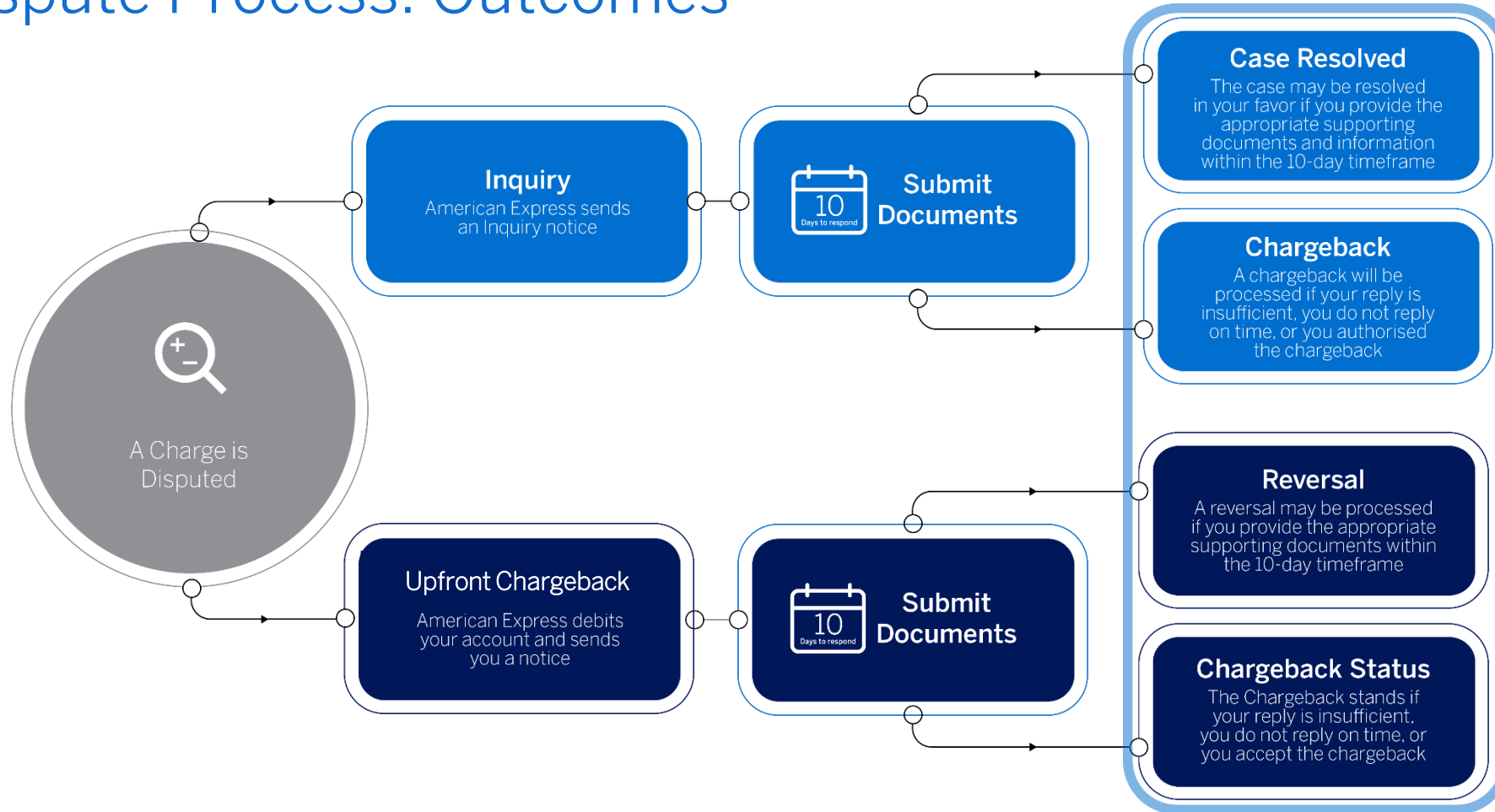
What is a Chargeback?

A Chargeback is the debit of funds from your Merchant Account for the disputed amount. We will send you a Chargeback notification for your review.

Business Partner's Correspondence Address	American Express Banking Corp, Cyber City, Tower 'C', DLF Bldg. No. 8 Sector - 25, DLF City Phase, II Gurgaon - 122 002, Haryana Tel: 1800-419-1414 (Toll-Free) Or 0124-280-1414 Fax No. (0124) 280 1144 Website: www.americanexpress.co.in/merchant 20 August, 2021
MUMBAI 400099 INDIA	
Merchant Number: 982[REDACTED] Card Member Number: 376942XXXXX1007 Card Member Name: D [REDACTED] Transaction Reference: 770 Transaction Date: 26 July, 2021	Your Reference: Lodging File Reference: 008541416502370 Transaction Amount: INR 5883.20 Submission Reference: 000000000000774 Reference/Ticket Number:
Our Reference Number: D-23 [REDACTED]	
Dear Business Partner	
We're writing to follow up on our recent communication about the charge listed above.	
We need information to show that this charge is valid, but we have not received a reply.	
Because we have not heard from you, the adjustment amount of INR 5883.20 less discount and taxes, will be applied to your account.	
If you have any questions, please feel free to contact us on the above telephone number.	



The Dispute Process: Outcomes





How to respond to

Chargebacks & Inquiries



How to Respond to a Dispute

Timing is key. You have 10 days to respond to an Inquiry and must respond with all the appropriate documents to avoid a Chargeback.



Clear documentation can help

- Address the specific dispute reason
- Clearly explain all of the submitted documents and address updates made to the original purchase or agreement



Your documents must:

- Include a copy of the charge record/credit record and other supporting documentation
- Address the specific Cardmember dispute claim in your response
- Clearly explain all of the submitted documents and add any changes/edits made to the original purchase /agreement
- Update American Express with steps that have been taken to resolve the dispute



10 days to respond



How to Avoid Chargebacks After an Inquiry

You can avoid some of the common Chargebacks by responding to all Inquiries and ensuring all requested documentation is included.

NO REPLY

We did not receive your Inquiry response within the specified timeframe.

Tip to Avoid

Respond to the Inquiry within 10 days, with the appropriate documents and information.

INSUFFICIENT REPLY

Complete support and/or documentation were not provided as requested by American Express.

Tip to Avoid

Respond within 10 days to address the enquiry claim. Ensure the appropriate information is provided along with charge details and customer information.



Types of disputes



Types of Disputes

No Knowledge

INQUIRY 6014

WHAT DOES IT MEAN?

Cardmember claims to not recognise or remember the charge.

WHAT SHOULD YOU DO TO APPEAL THE CHARGEBACK?

Respond to the Inquiry, or request for information, with as much context about the charge as possible.



Cancelled Product or Service

CHARGEBACK 4513 CANCELLATION 4544 CANCELLATION OF RECURRING SERVICES

WHAT DOES IT MEAN?

Cardmember claims that the goods or services ordered were cancelled.

WHAT SHOULD YOU DO TO APPEAL THE CHARGEBACK?

To appeal this Chargeback, please respond with as much detail as possible. First, make sure to address the status of the cancellation.

If you have no record of the Cardmember cancelling the charge, please let us know.



Services Not Received

CHARGEBACK 4554

WHAT DOES IT MEAN?

Cardmember claims that goods or services partially delivered or were not delivered at all

WHAT SHOULD YOU DO TO APPEAL THE CHARGEBACK?

To appeal this Chargeback please make sure to address the status of the delivery. Share the proof of delivery if already delivered.



For more information about what you will need to provide for each type of dispute – please see the appendix of this document.



How to Prevent Disputes





Clear Billing Statement Details

Use your customer-facing business name on the cardmember billing statement.

Merchant business name appears as ABC Hospitality on the Cardmember statement for a charge taken at Sea View restaurant

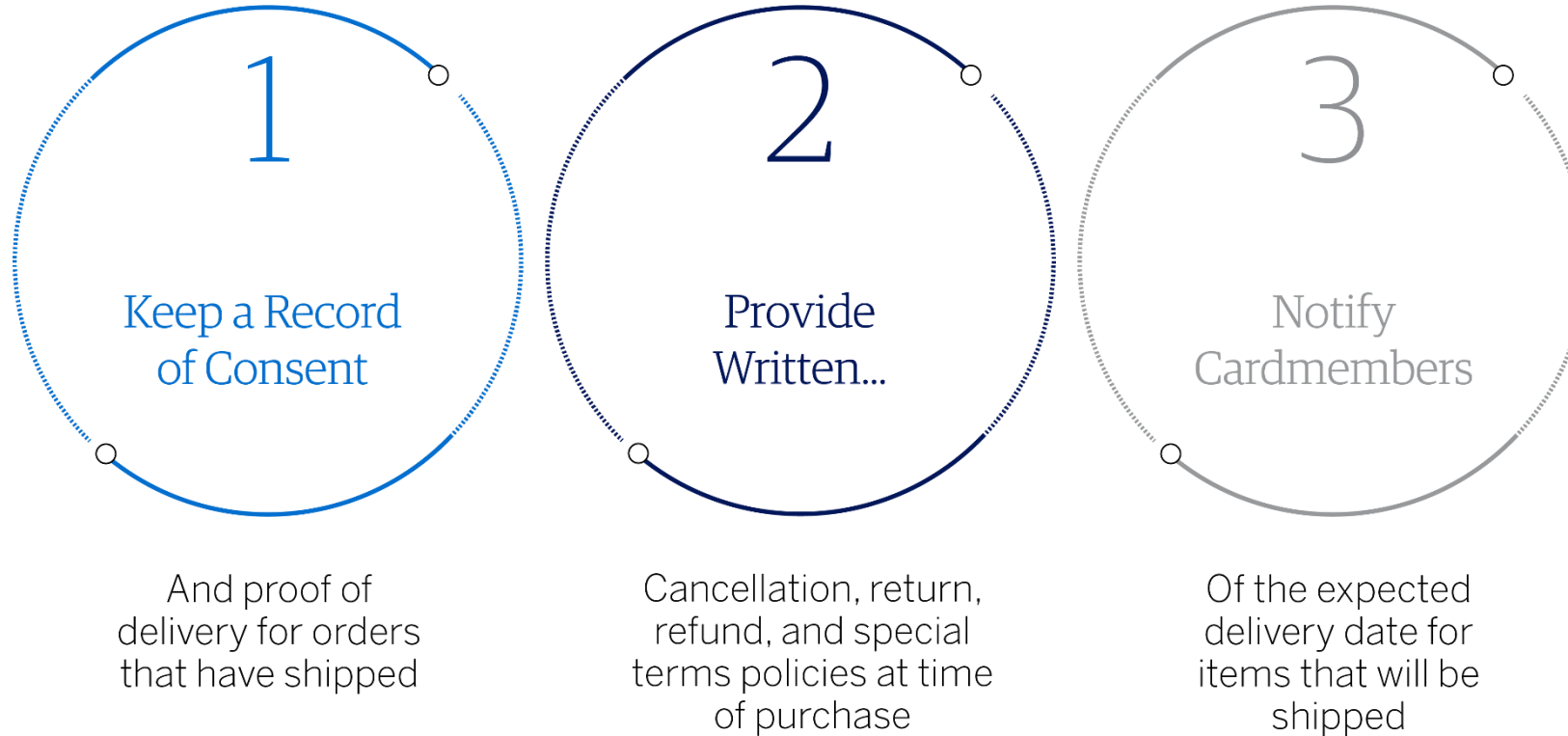
CM Statement

APRIL 24	ABC HOSPITALITY	211.27
APRIL 24	SEA VIEW RESTAURANT	211.27





At the Time of Purchase





Your Practices & Policies



Process and submit credits due as soon as possible



For recurring billing ensure all pipeline and future billings are cancelled upon request



Document your return policy on the sales slip or the invoice



Case Studies





Case Study – Services Not Received

Cardmember's Claim

Flight tickets not received

Documentation Provided By The Merchant

Card holder made a reservation for 1 passengers on [redacted] on 15/4/200
vide booking ref O [redacted] for sector J [redacted] L travel on
22/4/2022

Due to system error card holder did not get ticket image, mean while he
made another booking ref. Y [redacted] through call centre for same
sector same day flight. Cardholder can contact call centre for refund.

**Later passenger got ticket for booking O [redacted] 3 and
performed journey on this booking.**



Case Study – Not As Described Or Defective Merchandise

Cardmember's Claim

The booked resort was changed without informing the Cardmember.
Merchant allowing only date change and no refund

Documentation Provided By The Merchant

Explanation: [redacted] is a credit card payment and rewards platform: The customer has made a transaction on [redacted]-Apr-2021, to book for the luxury staycation of Oblu [redacted] Ailafushi, Maldives on [redacted].

The total price of the staycation was ₹1, [redacted].00 however, the amount was discounted for [redacted] coins used and cash back used the customer paid ₹1,1 [redacted].00 for this.

The customer is provided an option to reschedule the travel as the timeline for cancellation with full refund is already over.

As a special case the customer is provided the option to reschedule the travel without penalty.

Email Conversation:

[redacted] replied

10 days ago (Tue, 28 Jun 2022 at 3:17 PM)

To: [redacted] Support* <support@[redacted]>

If reschedule is give next year post october I am fine.



Pre-Authorisation





Pre-Authorisation: Relevant for Lodging Merchants

Q: WHAT IS PRE-AUTHORISATION?

A: Blocking funds on a credit card for a temporary period (until check out)*

Q: WHY IS IT TAKEN?

A: To verify Card credentials

Q: HOW IS IT TAKEN?

A: Swipe/Dip the Card in the POS machine. Avoid keying in the charge**

Q: RELEVANCE OF AMOUNT?

A: Amount closer to the estimated outstanding**

Q: CONVERSION TO SALE

A: Press Offline, search for ROC Ref and convert to Sale



* 30 days or the actual duration of stay, whichever is less. Pre Auth gets auto released after 7 days.

**Use same Pre Auth code to convert to sale provided final outstanding is not more than 15% of Pre-Auth amount



How to Manage Fraud





Fraud Tools

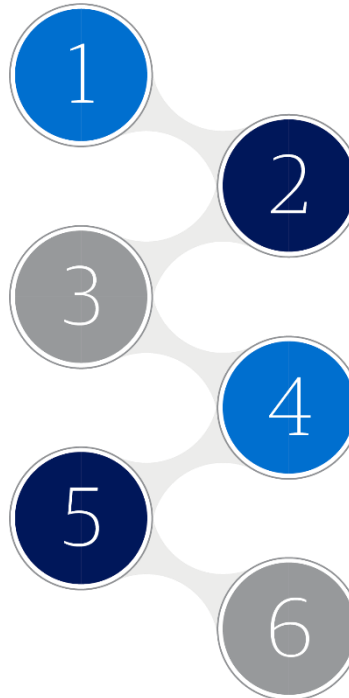
As an American Express Merchant, you have access to our fraud mitigation tools free of charge

Card Present

CHIPIN/CHIPSIGN
transactions must be encouraged

DAMAGED/EXPIRED CARD
Closely look out for Exp Date of Card and any damage to plastic

CID
The 4-digit Batch Code printed on the front of the Card is the CID for American Express issued Cards



Card Not Present

SAFEKEY™
This fraud tool authenticates the Cardmember during an online purchase

ENHANCED AUTHORISATION
Additional data elements enhance the fraud risk assessment

VERIFY - IT
Verifies name and address of American Express proprietary Cardmember



American Express SafeKey™ is a Critical Tool

American Express SafeKey™ is a 3D Secure authentication tool that helps reduce online fraud through two-factor authentication



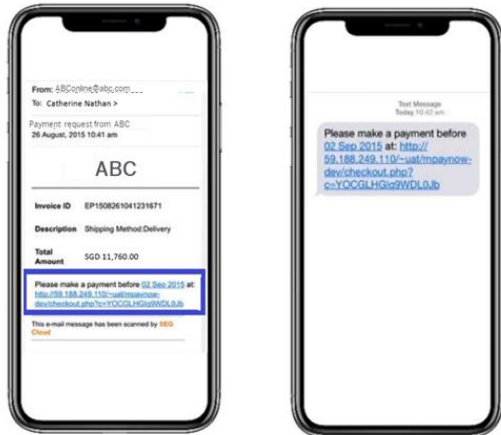
Not applicable for certain Card products. Please refer to the SafeKey guide.



PayByLink And PayBySMS

Payment Link – removes the need for manual key-in by businesses

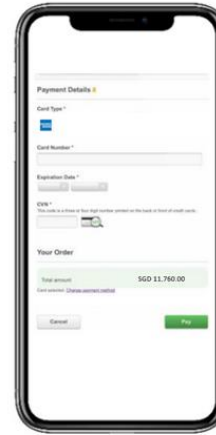
Receives request for payment via email or SMS



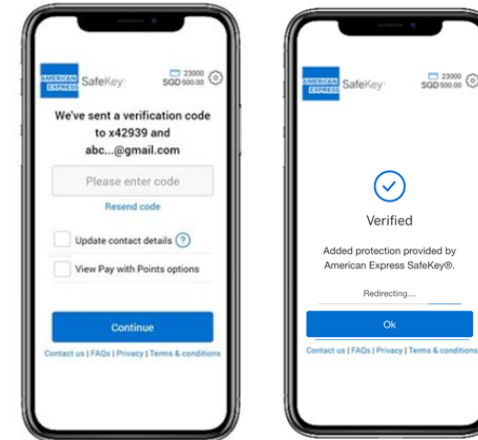
Verify booking details before payment



Enter Amex Card details for payment and submit



Directed to SafeKey for authentication



Customer received payment confirmation email.



Compelling Evidence Policy

We are making updates to the Compelling Evidence supporting documents to help you manage chargebacks with everything you have.

Effective from April 16, 2021, the policy provides Merchants with guidance on how to use documentation to show that the Cardmember participated in, received goods or services from, or benefited from the disputed transaction.

For complete details, please refer to section 5.7 in the International Merchant Regulations at americanexpress.com/InternationalRegs.

The Compelling Evidence Policy helps you manage chargebacks more easily:



1. Submit compelling evidence when you strongly believe that a Cardmember participated in a transaction, received goods and services from, or benefited from the disputed transaction.
2. We'll weigh the evidence against the policy requirements and may review the evidence with the Cardmember
3. We'll make a decision about reversing the Chargeback.*

* Compelling Evidence does not mandate that the Card Issuer or any other party conclude, as a matter of fact or law, that the Cardmember participated in the transaction, received goods or services, or benefited from the transaction. Any Merchant that receives a Card Not Present Fraud, or Goods or Services not received, or partially received Chargebacks can use the Compelling Evidence policy to respond to billing inquiries and Chargebacks. Merchants who are on the American Express Fraud Full Recourse program are not eligible to submit Compelling Evidence for claims of fraud.



Summary

Incorporating best practices and fraud tools can help prevent disputes

View more resources at

americanexpress.com/in/merchant/disputes.html

Log in or register for an
Online Merchant Account at

americanexpress.com/in/merchant/

For more information, contact your client
manager/American Express representative,
or call:

1800 419 1414 (Toll Free) or 0124 280 1414 from Monday to
Saturday (10am to 9pm IST)

For additional questions and contact
information, please visit our FAQs

www.americanexpress.com/in/merchant/contact-us-and-faqs.html

India