

Chargeback Processing

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This document is a guide only and provides some guidance on the Chargeback process for WEX Inc. Ultimately, Chargebacks are governed by the Card Scheme Standards (including its Chargeback Guide), as amended from time to time. In case of discrepancy between this Chargeback Processing Guide and Scheme Standards, the latter shall take precedence over this Chargeback Processing Guide. WEX's ability to obtain any amounts to refund to the Customer pursuant to a Chargeback request is subject always to the Scheme Standards and the Customer's agreement with WEX.

Disputes Basics

What is a Chargeback?

A chargeback is a return of funds to a Customer's card/account after they successfully dispute a card payment on their statement. The funds are debited from the Merchant's bank account for the disputed amount.

In addition to Mastercard or Visa (scheme), the parties included in the Chargeback process are the Card Issuer, the Customer/Cardholder, the Acquirer and the Merchant.

WEX's role in the Chargeback process:

The WEX Disputes/Chargebacks Team acts as the liaison between the schemes and our WEX Customers/Cardholders by facilitating disputed transactions through the various phases of the Chargeback cycle. We are bound to the scheme Disputes/Chargebacks rules, including timeframes, that govern the phases of the process(es).

Our goal is to achieve successful chargeback outcomes and recover Customer funds, while mitigating financial, legal, and reputational risk for WEX and our Customers/Cardholders.

The chargeback process is complex and detailed, and it may take up to 6 months from the date of the transaction to finalize. In instances where the dispute is more complicated, it can take up to 12 months or longer. Any action required from the Customer will be advised in line with their agreement, under recommendation from WEX.

WEX requests that Customers submit disputes to us 30 days prior to the scheme's chargeback submission deadline. This allows for data analysis and resolution of any outstanding issues/questions prior to submission to the scheme, which provides the best opportunity for a positive chargeback outcome. WEX will make every effort to submit disputes received less than 30 days prior to the scheme deadline, but cannot guarantee it will be processed timely.



Key Chargeback Points

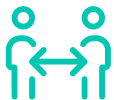
- Whenever possible, Customers should attempt to resolve the dispute directly with the Merchant prior to requesting a chargeback. The chargeback process should be a last resort for Customers to recover funds, and it does not guarantee a permanent credit.
- Customers are required to allow 15 days from the transaction posting date for any agreed refunds/cancellations with the Merchant, prior to requesting a chargeback.
- The Chargeback Reason Code (Mastercard) or Dispute Condition Code (VISA) of the chargeback/dispute dictates the time frame in which WEX must submit the chargeback/dispute to the scheme.

Chargeback Process



Chargeback

- The Customer submits a dispute to WEX for a transaction(s) on their account they do not recognize or don't believe was a valid charge.
- WEX's standard process is to review the dispute(s) and, if necessary, reach out to the Customer to resolve any outstanding questions/issues. WEX submits the valid and complete chargeback request to the scheme and applies a provisional credit to the card; typically within 5-10 business days of acknowledgment of a Customer's dispute request.
- Once the scheme processes the chargeback, they will notify the Merchant's acquiring bank (Acquirer) of the amount and reason for the chargeback.
- The Acquirer will contact the Merchant, and liability rests with the Merchant to provide satisfactory evidence regarding the transaction. The Acquirer has a limited time; 30 (VISA) or 45 (Mastercard) days to respond to the scheme.
 - If an Acquirer/Merchant believes they can provide satisfactory evidence, they can second present (represent, rebut) the chargeback within the timeframe. Some possible reasons an Acquirer/Merchant may reject a chargeback claim include, but are not limited to:
 - The Merchant provides supporting evidence to respond to the claim;
 - The Merchant has processed a refund after the chargeback was raised; or
 - The chargeback was deemed invalid – with or without supporting evidence
 - If an Acquirer/Merchant doesn't respond within the timeframe, they lose the right to further dispute the case.



Acquirer/Merchant Second Presentment

- If/when WEX receives an Acquirer's/Merchant's Second Presentment from the scheme, WEX, as the Issuer, has 30 (VISA) or 45 (Mastercard) days from the response date to enter the Arbitration process.
 - WEX will notify the Customer of the Second Presentment and provide the Acquirer/Merchant responses with supporting documents, if any. The notification will outline the Customer's opportunity to accept or reject the Second Presentment.
 - WEX requests the Customer's responses within 2 (VISA) or 3 (Mastercard) weeks.
 - If the Customer accepts the Acquirer/Merchant's Second Presentment, the case will be closed and WEX will reverse the provisional credit.
 - If the Customer rejects the Acquirer/Merchant's Second Presentment, a Pre-Arbitration case is opened with the scheme and the provisional credit remains on the card.
- If WEX doesn't receive the Customer's response within the requested timeframe, WEX will accept the Second Presentment; close the case with the scheme and reverse the provisional credit.



Pre-Arbitration

For both Mastercard and Visa, the Acquirer/Merchant has 30 days to reject the Pre-Arbitration case:

- If not rejected, the case is won (by the Customer) and closed with the scheme. The Customer can consider the provisional credit permanent.
- If rejected, WEX will review available documentation and facts of the specific scenario to determine the likelihood of a favorable outcome for the Customer.
 - If likely to be favorable, WEX will escalate the case to Arbitration.
 - If unlikely, WEX will close the case with the scheme and reverse the customer's provisional credit.



Arbitration

An issuer and/or the Acquirer can withdraw the claim from Arbitration at any time after submission; however, it must be withdrawn prior to schemes issuing a ruling.

Issuers and Acquirers can supply new information to the scheme at the Arbitration stage. If new information is supplied, WEX will supply this information to the Customer. The schemes can also request an Issuer or Acquirer provide new information when necessary. If additional information is required to be supplied to the scheme, it needs to be translated into English.

Once a claim is escalated to Arbitration, the Acquirer/Merchant will have two options:

- Accept responsibility for the case: The Acquirer/Merchant will be debited for the disputed amount and the Customer's provisional credit will remain on the card.
- Reject the request: The claim will await a ruling from schemes (see below). There is no timeframe within which schemes must make a final decision.

In the cases where the Acquirer/Merchant rejected the case, the schemes will review the validity of the case and the party found to have not followed the correct process will be ruled against.

- If the scheme rules in favor of the Customer, the case is closed with the scheme and the Customer can consider the provisional credit permanent.
- If the scheme rules in favor of the Merchant, the case is closed with the scheme and the provisional credit is reversed from the Customer's account.

Dispute Submissions



Submission Best Practices

The dispute comments on the submission form are essential to the outcome of the chargeback. To support a positive outcome of the chargeback, the customer should make efforts to:

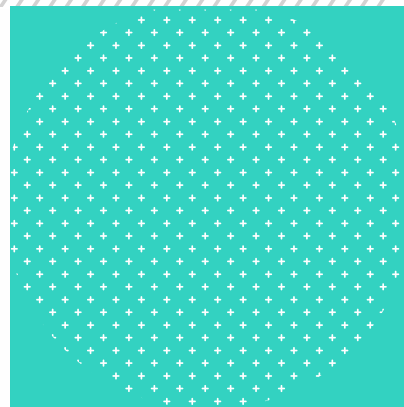
- ✓ Confirm transaction and disputed amounts and currencies
- ✓ Confirm Reference Numbers
- ✓ Keep dispute comments relevant to the specific scenario
- ✓ Identify all Merchant credits in dispute comments (include credit transaction posting date, amount and reference number; note that it does not satisfy the dispute)
- ✓ Identify all Merchant promise to credit dates in dispute comments
- ✓ Provide evidence to support Merchant promise to credit dates
- ✓ Include relevant contract references whenever possible



Submission Methods

Customers may email a completed WEX Disputes Submission form and supporting documentation to: wexcorpcard_disputes@wexinc.com

Customers may also use a Secure File Transfer Protocol (SFTP), where submission forms and supporting documents are uploaded and retrieved by WEX and the Customer securely. This method requires collaboration between the Customer, WEX Account Management and the WEX Disputes Team to request/establish the necessary access and folder structure.



Reasons for Disputes



Mastercard Chargeback Reasons

Following is a list of reasons that may be used for Mastercard disputes:

- **Reason Code 4808 – Authorization Related Chargebacks:** May be used if the required authorization approval was not obtained for the transaction.

Note: No documentation required.

Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
No Authorization Obtained	60	<ul style="list-style-type: none">No Authorization

- **Reason Code 4834 – Point of Interaction Errors:** May be used if the following applies.

Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
An incorrect amount was billed	60	<ul style="list-style-type: none">Original invoice which clearly shows the agreed priceIf the booking has been amended provide the amended voucher and written evidence of Merchant acknowledgment or acceptanceEvidence to show that an attempt was made to resolve a dispute directly with the Merchant (where possible)
Duplicate processing of transactions	60	<ul style="list-style-type: none">This condition can only be used if the transaction amount, date and name of Merchant are duplicatedOnly applies if both transactions are on the same card
Paid by other means	60	<ul style="list-style-type: none">Transaction details showing the alternative payment method (e.g. alternative card ID, bank/ wire transfer, direct deposit evidence)
Late presentment of a transaction	60	<ul style="list-style-type: none">Only if the card was closed before the settlement was presented, and the required timeframe to present (30 days from the authorisation date) was not met
POI currency conversion	60	<ul style="list-style-type: none">Can be used when the customer did not agree to the currency of the transaction or POI (Point of Interaction) currency conversion was performed incorrectly.Proof of the original/agreed currency is required.

* Calendar Days from Transaction Posting Date

- **Reason Code 4837 – No Cardholder Authorization:** May be used for card not present transactions where fraud has been identified.

Note: A maximum of 35 fraud related chargebacks can be processed per card.

Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
No cardholder authorization	60	<ul style="list-style-type: none"> • Not applicable for Merchant enabled 3D Secure transactions • Not applicable to CVV2 mismatched transactions • Written confirmation of fraudulent transaction • Not applicable for face to face transactions • Card needs to be permanently closed

- **Reason Code 4853 – Cardholder Disputes:** May be used when one the following conditions have been met.

Note: Verbal agreements are not accepted by Mastercard.

Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
Goods or Services were either not as described or defective.	<p>15 -90 days after cancellation.</p> <p>Timeframe is calculated against the cancellation date; this cannot exceed 540-days from settlement.</p> <p>15-day waiting period applies to allow the Merchant the opportunity to process refund</p>	<ul style="list-style-type: none"> • Copy of contract is required for contractual disputes (contract between Customer and Merchant) • Copy of cancellation or return of goods. Please note cancellation notices must be provided • Details of attempt to contact Merchant to resolve including date/method and Merchant response • In the case of hotel cancellation without penalty or with reduced penalty please provide written evidence such as an email from the Merchant
Credit Not Processed	<p>15-90 days after the date on the credit advice.</p> <p>Please wait 15 days from the cancellation/refund notice to send a chargeback request to WEX.</p>	<ul style="list-style-type: none"> • Copy of dated refund voucher/ agreement including the amount to be credited • Advice from the Merchant advising to obtain a refund via chargeback.

➤ **table continued on next page**

* **Calendar Days from Transaction Posting Date**

➤ **Reason Code 4853 – Cardholder Disputes (continued from previous page):**

May be used when one the following conditions have been met.

Note: Verbal agreements are not accepted by Mastercard.

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Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
Goods or Services Not Provided	90	<ul style="list-style-type: none"> • Booking voucher showing check in/ check out dates • In the case of insolvency, provide the date of notification of insolvency and any related details/ documents <p>If European transaction for travel services</p> <ul style="list-style-type: none"> • Details of travel service booked, date of expected service/s, guest/ passenger details • Customers are requested to attempt to obtain reimbursement from the bonding authority, liquidator, insurance, or consumer protection team before requesting chargeback • Waiting period of 30-days applies unless the claim for reimbursement is rejected
No-Show Hotel Charge	90	<ul style="list-style-type: none"> • Customer was not provided with cancellation policy • Cancellation number or copy of cancellation • Invoice or breakdown of nightly rate that was agreed upon at the booking stage to enable difference to be disputed
Addendum Dispute	90	<ul style="list-style-type: none"> • For unauthorized charges for loss, damage or theft after a legitimate transaction • Details of the customers attempt to resolve with the Merchant including date/ method and Merchant response.

* **Calendar Days from Transaction Posting Date**



Visa Condition Codes

Following is a list of condition codes that may be used for Visa disputes:

- **Dispute Condition 10 – Fraud:** May be used for card not present transactions where fraud has been identified.

Note: A maximum of 25 fraud related chargebacks can be processed per card.

Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
No Cardholder Authorization	90	<ul style="list-style-type: none">• Not applicable for Merchant enabled 3D Secure transactions• Not applicable to CVV2 mismatched transactions• Written confirmation of fraudulent transaction• Not applicable for face to face transactions• Card needs to be permanently closed

- **Dispute Condition Code 11 – No Authorization**

May be used if the required authorization approval was not obtained for the transaction.

Note: No documentation required.

Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
No Authorization	45	<ul style="list-style-type: none">• No Authorization

* Calendar Days from Transaction Posting Date

➤ Dispute Condition 12 – Processing Errors

Dispute condition 12 may be used if the following applies:

Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
Incorrect Amount	90	<ul style="list-style-type: none">• Original invoice which clearly shows the agreed price• If the booking has been amended, provide the amended voucher and written evidence of Merchant acknowledgment or acceptance• Evidence to show that an attempt was made to resolve the dispute directly with the Merchant (where possible)
Duplicate Processing	90	<ul style="list-style-type: none">• Only applies if the transaction amount, date and name of Merchant are duplicated, and both transactions are on the same card
Paid by Other Means	90	<ul style="list-style-type: none">• Transaction details showing the alternative payment method (e.g. alternative card ID, bank/ wire transfer, direct deposit evidence)
Late presentment of a transaction	90	<ul style="list-style-type: none">• Only if the card was closed before the settlement was presented, and the required timeframe to present (30 days from the authorisation date) was not met
Incorrect Currency	90	<ul style="list-style-type: none">• Customer did not agree to the currency of the transaction, or POI (Point of Interaction) currency conversion was performed incorrectly. Proof of the original/agreed currency is required

* Calendar Days from Transaction Posting Date

➤ **Dispute Condition 13 – Consumer Disputes**

May be used when one the following conditions have been met:

Note: Verbal agreements are not accepted by Visa.

Type of Error	Customer Submission Deadline to WEX*	Conditions / Required Evidence
Cancelled Merchandise/ Services	15 -90 days after cancellation Timeframe is calculated against the cancellation date; this cannot exceed 540-days from settlement. 15-day waiting period applies to allow the Merchant the opportunity to process refund	<ul style="list-style-type: none">• Copy of contract is required for contractual disputes (contract between Customer and Merchant)• Copy of cancellation or return of goods. Please note cancellation notices must be provided• Details of attempt to contact Merchant to resolve including date/method and Merchant response• In the case of hotel cancellation without penalty or with reduced penalty, provide written evidence such as an email from the Merchant
Credit Not Processed	15-90 days after the date on the credit advice. Please wait 15 days from the cancellation/refund notice to send a chargeback request to WEX.	<ul style="list-style-type: none">• Copy of dated refund voucher/ agreement including the amount to be credited• Advice from the Merchant advising to obtain a refund via chargeback

*** Calendar Days from Transaction Posting Date**

You may direct your dispute/chargeback related inquiries to:

wexcorpcard_disputes@wexinc.com.

For inquiries not related to a specific dispute/chargeback, please contact your Support Team at **travelops@wexinc.com**



Need more information?

For dispute/chargeback related inquiries please contact wexcorpcard_disputes@wexinc.com

For inquiries not related to a specific dispute/chargeback, please contact your Support Team at travelops@wexinc.com

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