

WePay - handling chargebacks

This article applies to:

What is a chargeback?

A chargeback occurs when a credit card holder contacts his bank or credit card company to dispute a charge on his account. Common reasons for chargebacks include:

- The cardholder does not recognize the charge or recipient on the statement
- The cardholder did not receive the product or service
- The cardholder was unsatisfied with product or service
- The cardholder's credit card was stolen or used without their permission

When a chargeback is issued, the total amount of the chargeback is forcibly removed from WePay's bank account. In turn, the total amount of the chargeback is removed from your WePay account. The funds will be removed from your available balance and held in reserve until the chargeback process is complete. The chargeback process is long and largely dependent on banks and issuers.

Note: If you choose to challenge the chargeback, the process typically takes about 45 days from the date of the chargeback.

If you have received a chargeback, you will be issued an email upon notification from the credit card company. If the funds in your WePay account are insufficient to refund the payer, we will debit the bank account on file.

It is important to maintain a low chargeback rate (number of chargebacks/number of total successful payments). A high chargeback rate can result in slower processing times, higher reserves, and could result in the eventual closure of your WePay account.

Typically, we hold our merchants to maintain no greater than a 1% chargeback rate.

The chargeback email will explicitly detail the transaction and the reason behind it. As the merchant, you have two options: to **concede** or **challenge**.

What does it mean if I concede the chargeback?

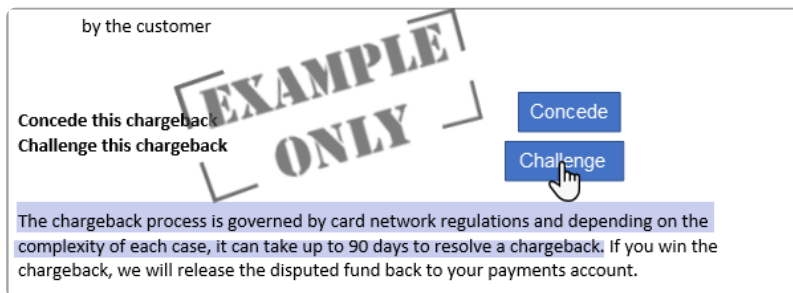
By conceding a chargeback, you decide to not challenge the chargeback. You

should concede a chargeback if you cannot prove that the good or service was actually provided. If you concede a chargeback, the total amount of the chargeback will be permanently removed from your WePay account.

How do I challenge the chargeback?

If you believe that the payment has been wrongfully disputed, you have the ability to challenge the chargeback.

To challenge the chargeback, click the blue “Challenge” button in your email notification.



This will prompt you to a screen where you can provide information about the payment and upload documentation proving that you provided the good or service. Only information submitted with this form will be used to help you challenge the chargeback so make sure you submit as much pertinent information as possible. Also note that audio and video files cannot be submitted. Suggested documentation includes:

- contacts
- refunds policies as agreed to by the payer
- tracking numbers proving receipt of goods
- communication from the payer, acknowledging receipt of goods/services

Once submitted, WePay will look over the information and decide whether or not we will fight against the cardholder’s bank on your behalf. We will fight the chargeback if we feel the information provided by you is sufficient to win the chargeback.

Note: We can only fight chargebacks on your behalf within three business days of receiving the chargeback, so make sure you submit information quickly!

Once information is submitted to challenge the chargeback, an email will be sent to you as notification. It can take 30-45 days for the credit card company to return with a decision on the dispute.

If you are unable to submit the documentation through the WePay merchant center, try the following actions:

- Clear cached files in web browser
- Reset web browser
- Use another web browser entirely (Google Chrome recommended)
- Use a desktop/laptop instead of a mobile device

If the steps above do not work you can respond to the email you received notifying you of the chargeback. Attach the dispute documentation to the email, which will open a ticket with WePay directly and get them the documentation for submission.

Note: WePay support may respond directly to you through this email exchange.

What happens if I win the chargeback?

If the chargeback is dropped against your account, the total amount of the chargeback will be released from your reserve into your available balance. You will be able to withdraw the total amount of the chargeback regardless of any other reserves you may have on your account. You will be notified if you have won a chargeback by email, but keep in mind that this process can take up to 45 business days.

View chargeback status

Once you have **Challenged** or **Conceded** you may see the following statuses.

- **Pending WePay review** – chargeback has been challenged and WePay is challenging the chargeback on behalf of the customer.
- **In review** – WePay has submitted the chargeback documentation and the card issuing bank is reviewing the documentation to make a decision on the chargeback.
- **Resolved** – A chargeback decision has been made and the merchant either won or lost the chargeback.

Unfortunately, there isn't a great way to see if the chargeback was won or lost. You should check for the resolution email from WePay titled "**Your chargeback has been resolved**"



Reply to any of the emails you received regarding your chargeback. This sends your request directly to WePay and creates a ticket. It's the fastest and easiest way to get updates.

Review your funds in your merchant account or your most recent settlement to see if the funds from the chargeback have been added back to your account.

How do I avoid chargebacks?

Chargebacks are intended to protect cardholders from fraud and against malicious merchant behavior. Most chargebacks you receive will likely be due to recognition issues (the cardholder does not recognize the charge from WePay on his/her card). Other common reasons include the buyer not receiving the items or service (known as non-receipt) or claims that the good or service was not-as-described.

To prevent recognition chargebacks, it is recommended that you remind your customers that the charge will show up as "WPY*" on their statements, followed by the name of the payment account that charged them.

Non-receipt and not-as-described chargebacks are more within your control to prevent. We suggest keeping all tracking numbers on items that are shipped out. Make sure you are setting appropriate expectations with your customers as to when they can expect full service or delivery. Keeping good records is a great way to challenge chargebacks but providing outstanding service to your customers is the best way to avoid them all together. Stay in communication with customers to manage expectations and gauge their satisfaction. Be honest and upfront about any delays you are experiencing and be willing to issue refunds.

Best practice to avoid chargeback

Your website should communicate your refund policy

- In the sequence of pages before final checkout, with a "click to accept" or other acknowledgement checkbox
- On the checkout screen, near the "Submit"
- The disclosure must not be solely on a link to a separate web page

Chargebacks are a long process that can ultimately result in the closure of your Keap Payment account. It's important you keep an eye on the number of chargebacks you receive and work to minimize that number. For more ideas on preventing chargebacks feel free to call or chat with our Support team!
