

Fraudulent Dispute Transactions

A fraudulent debit card transaction(s) involves an unauthorized use of a debit card to withdraw money or make purchases.

Common Causes

Fraudulent debit card transaction(s) can occur through various channels such as:

- Email, phone, and online scams.
- Card skimming.
- Data breaches.
- Physical theft of cards or mail.

Indicators

Remain vigilant for signs of fraudulent debit card transaction(s) such as:

- Charges from unfamiliar locations or merchants that cannot be identified solely by their dollar amount.
- Multiple small transactions within a short timeframe.
- Large or unusual purchases that you or individual(s) you authorized didn't make.

Preventive Measures

- To safeguard your card, it's crucial to regularly monitor your transaction history and account statements for any unauthorized transaction(s).
- Always use secure and reputable merchants for online and in-person purchases.
- Enable transaction alerts through your Texas Community Bank (TCB) online and mobile banking access to promptly detect any suspicious activity.
- Ensure your third-party online accounts are protected with strong passwords and utilize the option of enabling two-factor authentication (2FA) for an added layer of security.
- Above all, never share your card number or personal identification number (PIN) with anyone to minimize the risk of unauthorized access and fraudulent use.



*****IMPORTANT*****

- Account owners are strongly encouraged to regularly review their transaction history and account statements. Ideally, reviews should be done daily, weekly, or (AT MINIMUM) once a month.
- The key to preventing potential financial loss from fraudulent transaction(s) is to detect and address the attack early, minimizing the opportunity for excessive damage.

Scenario of a Fraudulent Transaction Situation

To help prepare you for what to expect, here is an outline of the process when there are concerns about a fraudulent debit card transaction(s).

1. Discovery of Fraud:

The account owner notices unusual activity within their TCB transaction history or bank statement and might also receive alert notifications due to the suspicious activity.

2. Personally Review:

Conduct a self and internal review of debit card transaction(s) by cross-referencing the dollar amount, considering that the merchant's name on your transaction history may differ from what was visible at the time of the transaction(s).

Additionally, be aware that merchants have varying processing times. As a result, some debits may appear on the same day while others might only show up weeks later in your transaction history.

Verify suspicious debit card transaction(s) with other account owners and individuals you have authorized to access the debit card and PIN, such as household members, family, friends, or employees.

Determine if the suspicious debit card transaction(s) is related to a charge from a free trial that expired before adhering to the merchant's cancellation policy.

3. Urgent Debit Card Action:

If, upon conducting a self-review, you find that the transaction(s) still appear fraudulent, protect your accounts by disabling your debit card. It's also possible that our fraud detection feature has already disabled your debit card.

Immediate Debit Card Lockdown: Log into your TCB Online/Mobile banking profile > scroll down, locate **Card Management** > select the debit card > use the slider icon to lock your card. Ready to use and can be reactivated.

Immediate Debit Card Cancellation: To report a lost, stolen, or compromised debit card please call toll free 1-888-297-3416 or contact a TCB representative.

If calling from outside the United States, please dial +1 (206) 389-5200.

4. Replacement Debit Card:

Be sure to request a replacement debit card when speaking with your TCB Account Officer/Representative over the phone or in person.

5. Reporting the Fraud:

Now that you have peace of mind knowing your debit card is disabled to prevent further loss, please promptly report the fraudulent transaction(s) to your TCB Account Officer/Representative.



6. Provide Necessary Information:

Be prepared to provide details of the fraudulent transaction(s), including the transaction date, amount, and any relevant information.

There may also be follow-up questions asked.

If the fraudulent transaction(s) resulted in debits to your account, you will be provided with bank dispute forms to complete and sign, detailing the unauthorized transaction(s).

It is crucial to accurately state the facts of the situation initially, to ensure a clear understanding of the dispute claim being made.

7. Timely Notification Requirements:

In most cases, the timely notification requirement for Point of Sale (POS) and ATM errors are met when you notify us within 60 calendar days of receiving the first bank statement showing the error. Timely notification periods for POS/ATM transactions are governed by federal laws and regulations.

The timely notification requirement for consumer account ACH errors* is met when you notify us within 60 calendar days from the original entry's settlement date. The timely notification requirement for commercial account ACH errors** is met when you notify us within 2 banking days from the original entry's settlement date. Timely notification periods for ACHs are governed by the National Automated Clearing House Association (NACHA).

Transactions reported outside these periods may not be eligible for reimbursement or correction, and the Account Owner may be responsible for any resulting losses.

If you discover an error outside the timely notification period, PLEASE CONTINUE WITH YOUR DISPUTE SUBMISSION. We will investigate and determine responsibility accordingly.

Type of Account	Type of Error		
	ACH	Debit Card (POS)	Debit Card (ATM)
Consumer	60 Calendar Days*	60 Calendar Days	60 Calendar Days
Commercial	2 Banking Days**	60 Calendar Days	60 Calendar Days

- **Calendar Day** refers to all days of the week, including weekends and holidays.
- **Business Day** refers to a calendar day other than Saturday, Sunday, or a Federal Holiday.
- **Banking Day** refers to a business day on which we are open to the public for substantially all our banking functions.

8. Provisional or Temporary Credit - Dispute Documentation's Written Confirmation:

As outlined within our **Electronic Fund Transfers: Your Rights and Responsibilities** disclosure, account owners may receive provisional/temporary credit for disputed transactions during the investigation.

For eligibility of this credit, please provide a signed copy (written confirmation) of the requested dispute documentation WITHIN 10 BUSINESS DAYS of notifying us of the error.

For a Non-Fraud Dispute scenario, eligibility of the provisional or temporary credit may also be subject to the inclusion of the required details referenced from the selected box within the Cardholder Dispute Letter – Item Statement document you would be provided with.

You may submit the signed form in person at any TCB branch location or by email at Disputes@tx-communitybank.com.

If additional investigation time is required beyond the initial 10 business days, we may extend the investigation up to 45 days (or up to 90 days if the issue involves a new account, a Point of Sale (POS) transaction, or a foreign transaction). An account is considered “new” for the first 30 days following the initial deposit unless you already have an existing account with us.

9. Investigation by TCB:

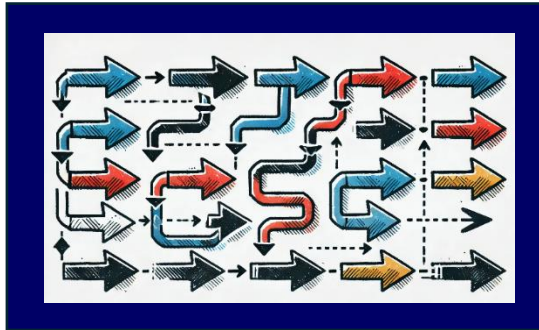
The bank initiates an investigation into the disputed claim, reviewing the transaction(s) in question, examining the transaction history, and possibly directly contacting the involved merchants. This dispute claim is also submitted to the VISA debit card network, where the two parties involved are the Acquirer and the Issuer.

Acquirer = Merchant | Merchant's Financial Institution
Issuer = TCB | Account owner's Financial Institution

After receiving notification of the dispute claim, the Acquirer allows the merchant an opportunity to refute the claim by submitting documentation demonstrating that no error occurred. TCB subsequently reviews the documentation provided by the merchant.

10. Investigation Results and Final Credit Determination:

Based on the policies outlined in our TCB debit card disclosures and the findings of the initial investigation, the Account owner may receive provisional or temporary credit for the disputed transaction(s) while the investigation is underway.



Within the initial 10 business days:

- If a resolution was reached within the initial 10 business days of our Financial Institution receiving notice of a potential error over the transaction, and **no error occurred**, no bank dispute credit will be provided.
- If a resolution was reached within the initial 10 business days of our Financial Institution receiving notice of a potential error over the transaction, and **an error occurred**, permanent bank dispute credit will be provided.
- If **additional investigation time** is required beyond the initial 10 business days, we will provide the eligible provisional or temporary credit.

After the initial 10 business days:

- **If an error occurred**, the provisional/temporary credit will become permanent.
- **If the merchant has already resolved the error**, the partial or complete provisional/temporary credit will be reversed by debiting your account.
- **If no error occurred**, the provisional/temporary credit will be reversed by debiting your account.

If a reversal takes place, we will honor checks, drafts, or similar paper instruments payable to third parties and preauthorized transfers against your account up to the amount being debited for five (5) business days from the date of your notification letter. Additionally, we will not charge you any non-sufficient funds fees if your account becomes overdrawn because of this debit to your account.