

# Non-Fraudulent Dispute Transactions

A non-fraudulent dispute arises when an account owner contests a debit card transaction(s) for reasons other than fraud. These disputes originate from disagreements or errors in the transaction(s) between the account owner and the merchant, rather than fraudulent activity.

## Common Causes and Indicators

- **Billing Errors:** The account owner was charged the wrong amount or was charged multiple times for the same transaction.
- **Non-receipt of Goods or Services:** The account owner paid for goods or services that were not delivered or provided as promised. This includes cash not disbursed at an ATM.
- **Cancellation Issues:** The account owner adhered to the merchant's cancellation policy and correctly canceled a subscription or service, but the merchant continued to charge their account.
- **Returns and Refunds:** The account owner returned a product but did not receive the expected refund or credit as indicated by the agreed upon merchant's terms and conditions.
- **Quality Disputes:** The goods or services received were not as described or were defective or damaged, and the account owner seeks a refund or adjustment that falls within the agreed upon merchant's terms and conditions.
- **Authorization Issues:** The account owner disputes a transaction that was authorized for a different amount, but not involving fraud.

## Preventive Measures

- Before completing a purchase, it is crucial to fully understand the terms and conditions of the transaction.
- It is important to keep receipts or transaction documentation for future reference if needed.
- To stay current with your authorized transaction(s), it's essential to regularly monitor your transaction history and account statements for any billing errors.
- Enable transaction alerts through your Texas Community Bank (TCB) online and mobile banking access to promptly detect any billing errors.
- Using a secure and reputable merchant for online and in-person purchases increases the likelihood of receiving reliable customer service if needed.
- It is important to promptly and clearly communicate your concerns to the merchant in detail as soon as an issue is detected.



## \*\*\*\*\*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 non-fraudulent transaction(s) is to detect and address the issue early on with the Merchant, minimizing the opportunity for excessive damage.
- As such, a timely notification of non-fraud is within 60 days of receiving the first bank statement that includes the transaction. Transaction(s) taking place after this period may not be eligible for reimbursement or correction, and the Account owner may be liable for any losses incurred.

## Scenario of a Non-Fraudulent Transaction Situation

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

### 1. Discovery of Issue:

The discovery of a non-fraudulent dispute depends on the nature of the issue.

It may be identified by the account owner noticing a transaction error in their TCB transaction history or bank statement, or it could be related to a problem with the purchased product or service.

### 2. Personally Review:

Before contacting the merchant, identify the specific issue, whether it's a billing error, non-receipt of goods, defective products, or services not as described. This will assist in clearly communicating the problem.

It is also important to review the merchant's website and their Terms and Conditions (if available) to see if a recommended resolution is described.

### 3. Contact the Merchant:

Once you have gathered all the information and details of the issue, immediately contact the merchant to notify them.

Provide details of the problem and specify the resolution you seek.

Have any supporting documentation, such as receipts and emails, readily available.

### 4. Ongoing Merchant Communication:

Maintain ongoing communication with the merchant to stay informed about the resolution they may offer.

If the merchant requires you to take a specific action before offering a resolution, be sure to complete it and provide them with the necessary confirmations and documentation.

Please adhere to the timeframe provided by the merchant for completing the action or resolving the issue before escalating it to the bank.

### 5. Reporting to the Bank:

If the issue remains unresolved by the merchant, immediately notify your TCB Account Officer/Representative of the exact problem and share any feedback provided by the merchant.

It is essential to be clear and provide as much detail and documentation as possible so we may accurately represent the issue when submitting the dispute claim.

### 6. Provide Necessary Information:

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

There may also be follow-up questions asked.

Include all supporting documentation (such as receipts and emails).

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

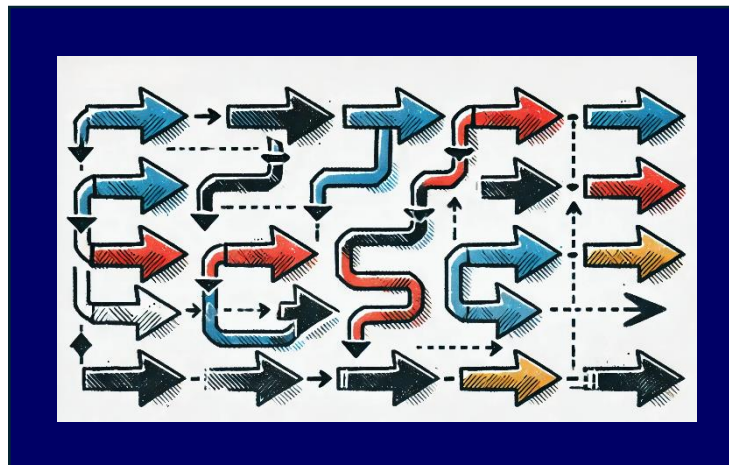
Acquirer = Merchant | Merchant’s Financial Institution  
 Issuer = TCB | Account owner’s Financial Institution

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.

### 8. Reimbursement:

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.

### 9. Potential Outcomes:



Outcome A:	Outcome B:	Outcome C:
At the conclusion of the investigation, the provisional/temporary credit will become permanent if the merchant did not contest the claim, indicating an error occurred on the account owner’s account.	At the conclusion of the investigation, full or partial provisional/temporary credit will be reversed and debited from the account owner's account, if the merchant has directly credited to resolve the error.	At the conclusion of the investigation, the provisional/temporary credit will be reversed and debited from the account owner's account, if documentation shows that no error occurred.