



Frequently Asked Questions for Merchants

Q: What is Visa Claims Resolution?

A: VCR is an initiative where Visa is making changes to the existing dispute process. These changes streamline the dispute process, introduce automation where possible, and create a better experience for all participants in the ecosystem.

Q: When is VCR going live?

A: The weekend of April 14, 2018

Q: What are the benefits to merchants?

A: VCR will benefit merchants by reducing some of the friction that exists within dispute processing, eliminating errors and erroneous submissions (which could reduce dispute volume by approximately 14%) and providing quicker resolution for disputes. Visa will be incorporating pre-dispute functionality like “Associated Transactions” to identify any credits/reversals/adjustments that may apply to the dispute in question. Visa will also apply additional edits to issuer submissions to reduce unwarranted disputes.

Q: What happens to disputes that are already in progress once VCR goes live?

A: Merchants will continue to operate using the old rules/processes for disputes in flight, even after VCR goes live. For any new disputes submitted after the migration date, the new VCR rules/process/timelines will apply

Q: As a merchant, what should I do to be ready for VCR?

A: Work closely with your acquirer/processor to identify the changes that are being introduced to support the new dispute process. Make sure you familiarize yourself with the proposed timeframe modifications and any new process changes that may be introduced to support VCR.

Q: What are the implications, if my processor is not ready with their VCR deployment by April 14, 2018?

A: Visa is working closely with processors to ensure readiness for VCR. Contingency plans exist for those processors who are unable to meet the VCR mandate.

Q: If a merchant does not participate in the pre-dispute process, do they automatically lose rights to resolve disputes?

A: No. While merchant participation in Visa Merchant Purchase Inquiry (VMPI) is recommended, merchants that do not participate will continue to respond to disputes through the process outlined by their acquirer or processor.

Q: If a merchant chooses not to participate in the pre-dispute process, will that negatively impact their score?

A: No, a merchant's index score is not impacted by participation in Visa Merchant Purchase Inquiry (VMPI).

Q: For Allocation disputes, will Visa be validating all of the issuer requirements prior to passing liability to merchant?

A: For Fraud and Authorization disputes (Allocation), Visa will be evaluating the transaction selected, the Visa rules and any edits to apply an initial liability assignment. Merchants can continue to challenge this initial liability assignment through the pre-arbitration process, which includes compelling evidence in certain instances.

Q: Will merchants be required to respond to 100% of Chargebacks received from acquirers? Are there any associated charges?

A: Yes, merchants will be encouraged to respond with either an "accept" or "decline" as soon as possible. Fees may apply if a dispute expires or continues to be outstanding after a period of days. Please check with your acquirer for details.

Q: As Visa introduces a review step to reject invalid disputes from issuers, how will this be executed, monitored, and enforced? What are the consequences for issuers that are negligent?

A: Visa will apply more comprehensive rules to evaluate if the issuer has a dispute right in a given selected dispute category. If not, they will be prevented from submitting the dispute. Visa's "Indexing" process will assign a "health score" to all dispute ecosystem participants, which measures how clients are using (or misusing) the platform. If a client's score dips below a Visa-defined threshold, they may be notified to correct the issue.

Q: Are there pricing changes with VCR? Will the fees associated with Arbitration stay the same?

A: With VCR, one of the key objectives is timely resolution of disputes. Aligned with this objective, pricing tiers have been introduced to promote quicker resolution and allow clients to control costs through timely responses. Arbitration fees are now combined into a single fee; but in total, remain the same. Please contact your acquirer/processor for details on pricing.

Q: Is it required for merchants to follow the VCR changes?

A: Yes, this is a global mandate.

Q: What is Visa Merchant Purchase Inquiry (VMPI)? Is it an optional service?

A: Visa Merchant Purchase Inquiry provides an application programming interface (API) capability for merchants to share data through Visa to issuers pre-dispute. This data can then be used by the issuers to help cardholders recognize transactions, clarify any misinterpretations, stifle friendly fraud and “buyer’s remorse”, and cut down on write-offs for issuers and merchants alike. This service is optional, but highly recommended. Merchants interested in participating should reach out to their Visa support representative and acquirer for more details.

Q: If I have more questions on the VCR changes and VMPI, where can we get additional information?

A: Please reach out to your acquirer/processor for more details on VCR and what impacts it may have on your dispute resolution process. For more information on VMPI, please send an email to VROLGPO@visa.com for more details.

Additional merchant resources:

For additional merchant resources, refer to this webpage on Visa.com:

<https://usa.visa.com/support/merchant/library.html>