

Debit Card Chargeback Mechanism

What is Chargeback?

Cardholder using debit card to make payment for product or services is eligible to apply for a refund of the payment for a transaction dispute with merchant (“Chargeback”). Chargeback is a mechanism set out by Card Associations (e.g EPS/ Unionpay) which allows transaction to be reversed and makes refund of the disputed amount to the cardholder under certain circumstances. For example, the merchant failed to deliver goods or services that have been paid by debit card, cardholder can contact the card issuing bank and request a Chargeback.

However, the chargeback request is subject to certain rules and conditions set by the respective Card Associations, for example, the request may fail if it is not raised within relevant timeframe.

The procedure of transaction dispute with merchant and refund mechanism

If the cardholders have any issue for problem transaction, please contact our 24 hours customer service hotline (2232 3233) and speak to our customer service officer for enquiries/ visit any of our branches to apply for refund. After confirming your identity, our staff will assist you to fill in the [ATM Transaction Enquiry Form \(AEF\)](#).

What is the role of the card-issuing bank?

After obtaining the details of the disputed transaction from cardholder, the issuing bank will evaluate the case and will raise a chargeback request on behalf of the cardholder against the merchant acquiring bank when it satisfies the rules and conditions of respective Card Associations. Subject to the reason of the dispute, the chargeback process will normally take 6-12 weeks to complete. The processing time may be longer depending on the complexity of the case. If the chargeback request is accepted by the merchant acquiring bank, the dispute amount will be reimbursed to Cardholder’s debit card account via the card issuing bank.

What type of transactions can the Cardholder dispute?

A cardholder may request a chargeback for a number of reasons, including:

- Transaction amount which the Cardholder believe is incorrect;
- Transactions which the Cardholder believe he or she did not authorize;
- Duplicated transactions;
- Goods or services that the Cardholder did not receive at all or within the agreed timeframe (in such cases you should contact the merchant in the first instance);

How to initiate a chargeback request?

Cardholders can initiate through the below channels. Chargeback supporting documents are required for the refund procedure and our staff will assist you to fill in [ATM Transaction Enquiry Form \(AEF\)](#).

1. Postal address: No. 78 Des Voeux Road Central, Central, H.K.
2. Any Chiyu Bank branches
3. Customer Service Hotline: 2232 3233

Cardholder should raise the dispute within 60 days upon the statement issuance date. If you suspect that the transactions which the Cardholder believe he or she did not authorize, please contact our bank immediately. When we receive the related documents, we will access and confirm whether the issue is fulfilled the dispute requirements and regulations.

If you did not provide your account information to the merchant in question and suspect that your information was stolen, please contact our bank immediately. If you do not notify our bank in time, we maybe unable to investigate your claim in which case you will be liable for the transaction.

For the instance of merchant close down or failure to deliver goods/services, the card issuing bank may in accordance with the rules of the respective Card Association submit the disputed transaction to the Card Association for arbitration. Chiyu Bank should complete the dispute application to the Card Association within the retrospective period.

After Chiyu Bank has received the AEF application form from the Cardholder, the turnaround time of a dispute will normally take 6-12 weeks upon receiving all documents by Chiyu Bank. It may be longer depending on the complexity of the dispute. If the Chargeback request is accepted by the merchant acquiring bank, the dispute amount will be reimbursed to the debit card account. Notification will be sent to the Cardholder regarding the result of the chargeback. If no unauthorized transaction has occurred, our bank will explain this to the cardholder and furnish relevant evidence.

As a part of our investigation, we may request more information and evidence from you to facilitate our bank to progress the dispute resolution. Also, if you believe you are a victim of fraud, identity theft or other illegal activity, we may ask you to report the matter to the police in the first instance.

