



Unmatched Refunds

Visa & MC regulations prohibit unmatched refunds, defined as running a refund against a card that has not been used for a sale (*Visa General Rules Chapter 5.2Q and R*). TriSource Solutions strictly enforces these regulations. Refunds cannot be for a larger amount than the original sale amount.

The following are reasons why unmatched refunds are not allowed:

Chargebacks: If a merchant uses a different card to issue a refund than the one used for the sale, a chargeback can occur. Although it is unlikely that a bank will automatically do a chargeback if a sale and refund don't match on the same card, the cardholder can do a chargeback if they don't see the refund where they think it should be, or the cardholder may do a chargeback if they are dishonest. Chargebacks cost merchants not only in extra fees, but also with the time required to fight the chargeback.

Errors: Merchants can—and will—make mistakes. If a *refund* is run by mistake instead of a *sale*, the merchant ends up paying the cardholder instead of receiving payment from the cardholder. And if the cardholder is dishonest, the merchant may not be able to run a sale to recoup the funds given to the cardholder in error.

At TriSource Solutions, we place a high priority on assessing and managing risk. We thoroughly review and examine many levels of activity and transactions to expose and correct problems such as unmatched refunds. If a merchant runs a refund instead of a sale and it's not caught, in many cases, we can help to resolve the problem. If this occurs, please call our risk department immediately at 1.800.697.0480. **The worst thing a merchant can do is to attempt to run the sale on their own to correct the problem.**

If you have any questions please contact the Risk Department of TriSource Solutions.