

Motion Federal Credit Union

FAQ's Cardholder Disputes

In what timeframe will you resolve my dispute?

As your card issuer, Motion Federal Credit Union must adhere to timeframes and rules set by Visa to resolve disputed transactions.

Dispute timeframes normally range from 45 days to 120 days from the date the transaction was processed to your account. It is crucial that you notify us of any disputed transactions as soon as possible to ensure we are able to exercise these rights on your behalf. Once your dispute is in progress, as some parts of the process can take more than 30 days, it is normal for no contact during this period.

What is the Credit Union's role in resolving my dispute?

Motion FCU will act as a liaison between you and the merchant's bank and requires evidence before a resolution can be achieved. All financial institutions that issue credit and debit cards are bound by the rules set by card schemes such as Visa. We are also required to comply with the Electronic Fund Transfer Act, or Federal Regulation E and the Code of Banking Practice. These rules and regulations provide a merchant with the opportunity to prove validity of a transaction before Motion FCU proceeds with a chargeback.

What is a chargeback?

A chargeback is a procedure in which a member's financial institution (such as Motion FCU) recovers all, or part, of the amount of a transaction from the merchant's bank in accordance with card scheme regulations set by Visa. Chargebacks are most commonly processed for: non receipt of requested documentation, goods not received, cancelled regular payments, paid by other means, services not rendered and duplicate transactions.

****Note**** Filing a chargeback against a merchant does not guarantee that your funds will be returned.

How will I know if my disputed transaction is under investigation?

Motion FCU will inform you in writing if a disputed transaction is under investigation. Disputed transactions that are under investigation are also reflected on your bank statement by way of a provisional credit in your checking account while the investigation is in progress. A provisional credit will be submitted to your account within or on the 10th business day after you submitted your dispute to the credit union. For new accounts (opened last 30 days) a provisional credit may take up to 20 business days after you submitted your dispute to the credit union.

What happens if the dispute is *not* resolved in my favor?

Motion FCU will notify you in writing with results of the investigation. You may also see the disputed transaction amount as a debit in your checking account on your statement. This is not a double charge of the transaction. This is a reversal of the provisional credit that we may have credited to your account while the transaction was under investigation.

* If you do not agree with the decision you can appeal by writing to us within 14 (fourteen) days from the date you are notified of the results.

What happens if I don't lodge my dispute within 60 days of the transaction date?

If you raise your query with Motion FCU after 60 days from the transaction date*, Motion FCU may not be able to assist due to the timeframes and rules set by Visa and the Electronic Fund Transfer Act, or Federal Regulation E to resolve disputed transactions. In this instance you may be liable for the entire amount of the disputed transaction. We recommend raising the dispute as soon as you identify it.

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How can I cancel a dispute I have lodged?

You can cancel a dispute by phoning the Credit Union at (908) 862-6966.

What is *Verified by Visa™ SecureCode®*?

Verified by Visa is a cutting-edge secure online shopping service that works with Motion FCU to rely on a password to validate a transaction. This acts in a similar way as a PIN or signature for over-the-counter purchases. If a disputed transaction has been made using *Verified by Visa* we may be denied chargeback rights and your dispute could also be denied.

What is the difference between a PIN based transaction and a SIGNATURE based transaction?

A PIN based transaction involves the use of your card and a 4-digit PIN entry. These transactions can include ATM use or merchant transactions. Upon approval, the funds are immediately withdrawn from your account.

A signature based transaction involves the use of your card and your signature to complete the transaction. These purchases are authorized through Visa and do not post to your account immediately. However, a funds hold may be placed on your account for the amount of the transaction.

How are criminals able to get cardholder information?

Criminals will do anything from make fake websites (phishing) to manufacturing artificial cards or even making up their own merchants to debit your account, not to mention hacking into your computer or a merchant's database to obtain the card information. Some criminals try to steal computers from businesses in the hopes that there will be card information stored on the hard drive.

Other forms of theft occur via mail interception to obtain the card information without making their tampering evident. You get the card a day later than expected (not enough to indicate anything is wrong) and by the time you can start spending, someone has already beat you to it.

ATM fraud is committed by stealing or skimming a cardholder's information when he or she uses the ATM. Stealing a cardholder's information may be accomplished in a number of ways. A criminal may implant a device on the ATM that causes the card to appear to be stuck in the machine only to be retrieved minutes later by the thief when the cardholder gets frustrated and leaves the area. The thief may then simply begin another transaction with the card and withdraw money from the account.

Criminals have also been known to use cameras positioned nearby an ATM machine that read the card information and record the pin number when entered by the cardholder. A duplicate or counterfeit card is then made and used by the thief to make purchases or withdraw funds. This type of ATM fraud, however, has largely been replaced by more high tech gadgets known as card "skimmers."

A card skimmer is a device placed on the ATM that is unrecognizable by most users of the machine. The device actually reads and records the card information, and in some cases, the pin number entered is also recorded. The thief simply returns to the ATM at a later time and removes the device and then uses the information gathered to make duplicate or counterfeit cards.