



# Draft Retrieval Request

*Avoid chargebacks by providing the requested documents in a timely manner*

Chargebacks occur for a variety of reasons, the most common of which is a merchant’s failure to respond to a draft retrieval request. If a transaction is disputed, you will be asked to submit a copy of a sales draft for the disputed transaction. Make sure to maintain your records, because you must be able to supply the requested documents for any transaction that has taken place within the past year. Be sure your documentation includes the following:

- ✓ Merchant name (DBA) and location
- ✓ Date of the disputed transaction
- ✓ Dollar amount of the disputed transaction
- ✓ Card Account number
- ✓ Card Expiration date

A draft retrieval request will specify a deadline by which you must provide the

sales draft. Be sure you take care of this within the allotted time in order to avoid a chargeback. When a sale is charged back, you can lose the dollar amount of the transaction, plus the product or services related to the sale.



Keep documentation in order and you’ll be ready to respond to a retrieval request.

## Other Reasons for Chargebacks

Here’s a list of some other common causes for chargebacks. Following the established procedures at the time of sale, and keeping accurate records will help prevent chargebacks from eating into your profits.

- Failure to obtain proper authorization
- Card was used before valid date or after expiration date
- Credit or refund not processed correctly
- Cardholder denies making the transaction

Contact our Merchant Support Center if you have any questions about chargeback prevention or draft retrieval requests.

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# Recharge Your Gift Card Program

*Plan now for a more profitable gift card program when the holidays arrive*

If you are a merchant who offers gift cards, you probably made a resolution after the last holiday season to be better prepared this time around. Many gift card providers reported that merchants ran out of gift cards because they had underestimated demand. Statistics show that as much as 88% of gift card sales occur in November and December.<sup>1</sup>

## Benefits to your business

Private Label Gift Cards offer you another option in driving additional revenue. Once reserved for only the biggest retail chains, gift cards are now easily available to smaller merchants. A gift card program can bring you closer to meeting your business goals:

- **High demand** — Customers like plastic! Gift cards generate 2 to 10 times more sales than paper gift certificates
- **Effective advertising** — Customers are reminded of your store every time they open their wallet and see your card
- **Revenue generator** — 75% of customers spend 60% more than face value of the gift card, and are more likely to pay full price than if using a different payment method
- **Personalized support** — You can access or receive daily and monthly reports of your gift card activity via the Internet
- **Breakage** — money that is spent on the purchase of a gift card, but hasn't been exchanged for actual goods
- **Attract customers and build loyalty** — Recipients of gift cards may become your next new customers, returning for other purchases after their initial visit



## Profits beyond the holiday season

Gift cards help to spread out consumers' spending considerably beyond the immediate holiday and post-holiday period. Only 7% of consumers will use their cards in the week after receiving them. One-third will redeem their cards within a month, and 23% within six months.<sup>2</sup>

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*As the popularity of gift cards continues to grow, so does the efficiency of gift card programs.*

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Now you have simple start-up, a quick training period, and the capability for online reporting and tracking. A well-run gift card program can offer significant benefits to merchants. Commerce Bank makes it easy. You can choose one of our card designs or customize your own! Get started now and you'll be able to get more gift cards in your customers' hands during the coming holiday season.

1. *Prepaid Trends* June, 2006

2. American Express survey

# Reminder About Prohibited Transaction Types

Here's a quick recap of transactions that should not be conducted, including:

- ▲ Personal transactions should never be run through your merchant account.
- ▲ Transactions may not be processed for products or services other than those for which you are underwritten.
- ▲ Processing transactions for another business is an illegal practice called draft laundering.
- ▲ It is a violation to split transactions out into numerous amounts to circumvent purchasing limits on the customer card.
- ▲ Merchants should not provide unwarranted credits — for example, processing refunds to a card that has no prior sales on it.
- ▲ You can not have more than one processor. Our merchant agreement states we are to be your only processor of card transactions.

## Data Security in the Global Marketplace

### KEEPING YOU UP TO DATE ON CRITICAL SECURITY ISSUES

Hackers have begun to access point-of-sale (POS) PIN Entry Devices (PED), either to replace them with equipment that records card data for later retrieval, or to place a recording device inside the existing PED to gather information.

Merchants need to be aware of POS equipment that looks different, or that is missing and is later returned. Typically the targets for this crime are older PEDs from the days before the PCI Data Security Standards.

#### Strategies and Best Practices from Visa®

Visa recommends that merchants be vigilant, and maintain a secure POS environment by observing the following best practices.

- ▲ Allow only authorized personnel to service your PEDs. Secure all PEDs so that they can't be easily removed, modified or replaced.
- ▲ Upgrade your equipment to PEDs that comply with PCI PIN security requirements. New PEDs are tamper-evident and some are even tamper-responsive.
- ▲ Educate your staff about the potential of data theft when equipment is tampered with.

#### Strange-but-True Story of Attempted Card Fraud

We recently heard a story of a man who paid with his debit card, and noticed that the sales associate placed the card face down on the counter. While he waited for the transaction to be approved, the associate picked up his cell phone and appeared to be dialing.

The customer heard a click just like the sound his own phone makes when taking a picture. Certain that the associate had photographed his CVV2, the customer promptly cancelled his card.

This is yet another reminder to merchants that staff members can be bribed by criminals to acquire cardholder data in many different ways.

Criminal organizations perpetrating these crimes can be very smooth in persuading POS employees to gather information. The card associations provide educational management workshops to help merchants stay abreast of the latest fraud schemes. Contact our Merchant Support Center if you would like to learn more about making your point of sale more secure.

Visit [www.commercebank.com/datasecurity](http://www.commercebank.com/datasecurity) to learn more about PCI compliance.



# Make Deposits From Your Desk

*Remote Deposit allows you to make deposits electronically*

**R**emote Deposit streamlines your entire bank deposit process. You can make your check deposits without ever leaving your office. In just a few easy steps this process allows you to:

- ✓ prepare deposits
- ✓ retain records
- ✓ manage accounts receivables
- ✓ and make the bank deposit

## How it works

A desktop scanner verifies image quality and prepares check transactions for deposit. Once



your checks are scanned, check amounts are entered and batches are balanced automatically. Completed batches are then transmitted to Commerce Bank using a secure Internet connection where they are deposited into your account. No more leaving your business to get to the bank before closing time.

## Benefits of Using Remote Deposit

- ▲ Increased accuracy of your deposit process while eliminating trips to the bank and associated expenses
- ▲ Improved cash flow due to later deposit deadlines and a more efficient deposit process
- ▲ Improved timeliness and accuracy of posting and financial reporting through automation of the posting process
- ▲ Justification for daily deposits, including small dollar deposits that would normally be held for several days
- ▲ View history of deposit amounts, check images and transaction detail on-line for up to 2 years
- ▲ Import transaction data to your company's accounts receivable system

For additional information, call us at 800-207-0886.

## Merchant Support Center

We're here to assist you with all your merchant needs. Commerce Bank Customer Service Representatives are available to help you with:

- **Processing**
- **Service Questions**
- **Supplies**
- **Statement Questions**

We offer personalized service through our in-house Support Center at: 1-800-828-1629 Monday-Friday: 8 a.m. to 6 p.m. and Saturday 9 a.m. to 1 p.m. (CST). Fax us at: 1-816-234-2181.

For faster service, have your merchant number ready when you call the Merchant Support Center.

**Telephone authorizations:** 1-800-228-1122.  
Call 24 hours a day, seven days a week.

**Write us at:**

**Commerce Bank**  
**Merchant Department**  
**825 Main Street, KCBC-1**  
**Kansas City, MO 64105**

**We're always at your service.**

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