

Compromised Card Procedure and FAQ

A **compromised card** means the information (for example card number, name, CVV and expiration date) may have been obtained by an unauthorised source. A compromised card is a card that is at risk of being used fraudulently. Cards may be compromised due to computer theft, unauthorised network intrusion, or any type of suspicious activity.

When an unauthorised person has gained access to a Members' card details i.e.: card number, expiry date or PIN without the cardholder's permission this increases the likely hood of unauthorised transactions and financial loss for the Member and or Qudos Bank.

Qudos Bank will receive notifications from Orion- our card fraud monitoring agency, Law enforcement or Visa International. As a precaution and to prevent unauthorised transactions, Qudos Bank will contact the cardholder directly to advise them of the issue.

For more detailed information please refer to the Qudos Bank Compromised Card Manual located in Campaign Library.

Branch Staff & Contact Centre

From time to time we may seek additional support from the other departments to assist with call outs or in preparation for incoming calls.

Branch Staff & Contact Centre may call the cardholder directly. This allows staff the opportunity to explain suitable alternatives to accessing funds before the card is cancelled. The process to cancel a card is;

- > The card will automatically be cancelled through First Data Card Management (FDI);
- > Qudos Bank will reorder the card; and
- > Qudos Bank will add notes in Prosper

Please note, cards remain the property of Qudos Bank and can be cancelled at any time with or without notice to our cardholders. The notice is included in the PDS which is issued to Members at the time of account opening.

Qudos Bank will only cancel the card if Member funds are at "RISK". This is determined by the intelligence and reports received from Police and ORION.

FAQs

Question	Answer
1. What is a compromised card?	<p>A compromised card means that information (for example card number, name, CVV and expiration date) may have been obtained by an unauthorised source. A compromised card is a card that is at risk of being used fraudulently.</p>
2. How is the card data obtained?	<p>Due to the emergence of new and sophisticated technology, cardholder information can be captured through a various sources:</p> <ul style="list-style-type: none">• ATM• EFTPOS terminals• Merchant data centers• Internet intrusions• Data base breach
3. How does this occur?	<p>The devices used to attack sources can download and store electronic cardholder details which are located on the magnetic strip on the back of each card.</p> <p>Card details are then re-issued on new plastic cards; this is called a “counterfeit card”.</p> <p>Once the counterfeit card has been re-issued, crime syndicates will then withdraw funds from the accounts without the Members permission.</p> <p>Sophisticated crime syndicates may use the information to perpetrate further fraudulent transactions or activity.</p>
4. Why is the Member /cardholder contacted?	<p>It’s important to alert the cardholder of what is happening on their account and if there has been any unauthorised activity.</p> <p>As a precautionary measure, we will cancel the card to ensure the account data is handled with the highest level of safety and security.</p> <p>** Staff</p> <ul style="list-style-type: none">> Report the card as stolen on FDI system> Issue a new card> Provide a approx. time when the new card will arrive
5. What can the member do?	<p>The member will need to update any reoccurring direct debits listed on the old card once the new card arrives. They will need to contact the merchant directly or use the form located on website Credit Card Details - Letters of Notification.</p> <p>If there has been a unauthorised transaction, they will need to check their transaction details and submit a Card Dispute Form.</p>

6. What do you advise the Member?	Who	<ul style="list-style-type: none"> • Hi I am <i>John Smith</i> calling from Qudos Bank , how are you today? • ID the caller using QB outbound ID procedures
	Why	<ul style="list-style-type: none"> • We have been notified by our card fraud monitoring team that your card has been compromised, which means an unknown third party has your card details. • A brief explanation about the compromise (if known) • Explain if there has been a financial loss due to fraud /unauthorised withdrawals • Next steps to lodge a claim
	Next Steps	<ul style="list-style-type: none"> • We will need to cancel your card as a precautionary measure • We will order a replacement card for you, which will arrive in the mail within 7 working days? • Provide the member options to access their funds ... • Capture any notes in Prosper

7. **If the Member responds: “That they are on the Do Not Call Register”?**

Because the Member has a relationship with the Qudos Bank, we are able to make these types of calls about your account as it involves a security breach that you need to know about?

If “That’s Okay” then please continue with the conversation.

8. **If the Member does not have another card, how can they access their funds?**

Try and find a solution to assist the Member:

- > Allow the Member some time to withdraw funds before the card is stopped
- > Offer for the Member to come into branch if possible
- > Transfer to another Financial Institution –
 - we can do this via EFT, we will require written authorisation to do the transaction with bank details, BSB, account number, and how much
- > Transfer funds via Bpay
- > Explore other solutions that may suit the Member

If there is no suitable option, please escalate this to your supervisor or senior leader.

9. **If the Member responds “Please cancel my card now. I don’t want to wait”?**

Cancel the card for the Member and email frauds@qudosbank.com.au with an update.

**** Staff**

- > Report the card as stolen on FDI system
- > Issue a new card
- > Provide a approx. time when the new card will arrive

10. If the Member responds

“I’m travelling overseas or I am overseas & need a card”?

Explain to the Member why we cannot keep the card active?

- > Find solutions to have the card delivered overseas or expedite the card order
 - offer the emergency Visa emergency card or cash option – There is a cost of USD\$175.00 for this service.
 - obtain an address overseas if the card is required to be forwarded, place a follow up in Prosper to check in with the Member in a few days to ensure everything is OK
 - move the funds over to another account e.g. from Sav 0 to Sav 1 to reduce the available funds in the account
 - ensure the Member has access to Internet or Phone banking to transfer funds if required
 - due to time differences advise the Member to transfer funds just before withdrawing at an ATM e.g. within ½ hr **no longer!**
 - keep balances to a minimum. Make it clear to the Member that we will not be responsible for any loss
 - offer a Prepaid travel card
 - escalate this to your Supervisor immediately for further action if required.

11. If the Member needs urgent cash or an emergency card while overseas?

Advise the Member to call Visa International in the country they are in and request a cash advance or card, each cost is:

- \$175.00USD for each service
- Qudos Bank will not waive the charge by Visa as this is a cost incurred by the Bank
- Organise an International Telegraphic transfer (Member to wear the cost)
- all transfer request must be in writing or via secure email

10. If the Member responds

“This has happened to me before, why me”?

- > Unfortunately it can happen at anytime with little warning. Criminals use this as an opportunity to prey on innocent victims.
- > We apologise for the inconvenience but rest assured the decision to cancel your card has not been taken lightly. If we don’t cancel your card, the criminals can withdraw funds from your account.
 - Talk to the Member and see what else we can do for them

11. If the Member responds:

“What happens if I lose my money”?

The Member will be covered for any losses provided they have not contributed in anyway. Qudos Bank offers 100% fraud back money guarantee if there has been a financial loss.

- > Ask the member to lodge a card dispute form
- > Email the forms to disputedtransactions@quodosbank.com.au

8. Do I need to add notes in Prosper (CRM)?

Yes, all member interactions must be recorded in the CRM system.

Some tips for note taking:

1. Include a brief summary of the instruction received (including the context)
2. Use the “5 W” question technique (what, where, who, why and when) where applicable
3. always include important dates (i.e. Date the request was received and any information).

Do not copy and paste internal communications into Prosper (such as emails to other Qudos staff or managers).

9. Why is accurate Prosper note recording important?

It ensures we have captured our interaction with the member and the requesting party.

The information will be used by the us and may help protect us if an IDR or EDR complaint is lodged.