

## Visa Card Committed Release FAQ

### Back ground

This process is performed whenever a cardholder asks us to remove a Visa card authorisation (**pending transaction**) from the account.

When a Visa card is used for payment, the merchant will request an electronic authorisation to ensure there are sufficient funds in the account.

- > If there are sufficient funds in the account, the banking system will automatically add an authorisation to the account.
- > If there are insufficient funds in the account the authorisation will be declined.

If the member doesn't go ahead with the transaction or changes their mind they can ask us or the merchant to remove the authorisation.

When a cardholder requests the authorisation to be removed the available balance will increase.

### Scenario 1

The member uses their Visa card to make a purchase for \$30.00 and has a balance of \$100 in the bank. The available balance will immediately decrease to \$70, as an **authorisation** of \$30 is applied. The balance of the bank account is still \$100 because the merchant has not processed the financial transaction yet.

The actual balance will be reduced after the merchant processes the transaction. This can vary between 1 to 14 days.

Purchase	Account Balance	Available Balance	Visa Authorisation	Comments
Account balance	\$100.00	\$100.00		
Visa authorisation	\$100.00	\$ 70.00	\$30.00 applied	\$70.00 is the amount available
Visa Transaction	\$ 70.00	\$ 70.00	Visa auth is closed	The transaction has been processed

### Scenario 2

Using the same scenario as above, this time the member contacts Qudos Bank and ask us to remove the authorisation because they have paid by cash. The balance of the bank account will increase to \$100 after the authorisation is removed.

Purchase	Account Balance	Available Balance	Visa Authorisation	Comments
Account balance	\$100.00	\$100.00		
Visa authorisation	\$100.00	\$ 70.00	\$30.00	\$70.00 is the amount available
Visa Authorisation removed	\$100.00	\$100.00	Removed	Available balance has increased

## FAQs

Question	Answer
<b>1. What is an authorisation hold?</b>	<p>When the merchant requests an electronic authorisation to verify the available account balance.</p> <p>The merchant will send through an authorisation and the bank will automatically place a “hold” on the account until the value of the transaction is debited.</p> <p>An authorisation can also be referred to as a card authorisation, pre-authorisation, pending transaction or card hold.</p>
<b>2. How long does an authorisation stay active on an account?</b>	<p>This can vary, usually from 1 to 14 days.</p> <p>The value of the authorisation will be withheld from the account balance. The members available account balance will reduce.</p>
<b>3. What questions should I ask the member before removing the authorisation?</b>	<p>Ask the cardholder some additional information to determine if the authorisation can be removed.</p> <ul style="list-style-type: none"><li>&gt; Has the transaction debited the account?</li><li>&gt; Was the original transaction a different amount to the debited amount (i.e. foreign currency transactions can vary due to exchange rate)?</li><li>&gt; If it hasn't debited, ask why? (i.e. did they pay using alternative means - cash or another other card).</li><li>&gt; Was the authorisation for a hotel booking or car hire?</li></ul> <p>Remember, we can't remove car hire or hotel hire authorisations unless we have received a fax from the merchant or proof of payment.</p>
<b>4. Can a signatory remove the authorisation for the primary cardholder?</b>	<p>No, the cardholder must request for the authorisation to be removed.</p> <p>Sometimes we may make an exception to allow the signatory to remove the authorisation which will depend on the situation i.e.: the primary cardholder could be overseas and has does not have access to email or a fax machine.</p>
<b>5. What can the member do to remove an authorisation?</b>	<p>If the transaction has not debited we can ask the cardholder to:</p> <ul style="list-style-type: none"><li>&gt; send a secure email to <a href="mailto:cards@gudosbank.com.au">cards@gudosbank.com.au</a> ;</li><li>&gt; sign a committed release form; or</li><li>&gt; ask the cardholder to contact the merchant to send us a fax or email t to remove the authorisation.</li></ul>

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## Merchant Details

Please note that the following information is required on the fax/email to release the funds:

- > Merchant letter head
- > Card Number
- > Cardholder Name
- > Amount to be release
- > Request to release the funds – why it should be released
- > Fax to +61 29582 3339

## What Next

Once the fax has been received we can release the funds back into the account.

## Why

We require confirmation from the merchant that the transaction will not be debited from the account or evidence that it has already been paid otherwise the account could become overdrawn if the transaction is processed.

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### 6. When can an authorisation be removed?

If we have evidence that the transaction (merchant name, date and value) has debited the account or the cardholder can provide evidence that it has already been paid for in full i.e. receipt of payment.

You can remove the card restriction “hold/pending authorisation” for the transaction.

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### 7. Can a card authorisation expire?

Yes, all authorisations will have an expiry date. The member can obtain the information by:

#### Members

- > Logging into online banking to view the hold/pending transaction

#### Front line staff/ Transactional Services

- > Asking us to look up the card authorisation details in First Data Card Management system or within the core banking system.

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### 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).

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**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.

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