



Merchant Bank Credit Card Processing Claims

For decades, Chapman has advised credit card industry participants. From merchant and processing agreements to risk management and data security, Chapman has the experience and industry perspective to protect our clients' rights and interests.

Credit Card Program and Processing. Chapman attorneys have been at the forefront of the evolving consumer credit market — from the development and defense of credit card programs, to drafting and negotiating processing agreements, our team counsels merchant banks and processing companies on a wide range of matters.

Data Security. Chapman attorneys understand that as payment card industry compliance becomes more complex and data security breaches more prevalent, the payment processing industry increasingly becomes the target of litigation related to confidentiality and privacy of customer information, data security, customer identification programs, and compliance with the Bank Secrecy Act.

Dispute Resolution. Chapman's attorneys regularly represent merchant acquirers in disputes related to the enforcement of merchant agreements, chargeback recoveries, holding of funds, risk management, and collection — our experience and understanding of the merchant credit card business and litigation depth provide efficiencies and cost effectiveness in settling and litigating disputes.

Merchant Acquiring. Chapman attorneys routinely draft and negotiate merchant agreements, operating agreements, agent bank agreements, ISO agreements, and referral arrangements for merchant acquiring.

Risk Management. Chapman attorneys counsel clients in a wide range of risk management and fraud activities and in connection with merchant and ISO guarantees, reserve accounts, merchant fraud, chargeback, recovery, and collection activities.

Attorneys

Michael T. Benz

Marc P. Franson

Related Practices

Bank Defense

Commercial Foreclosure and Real Estate Litigation

Commercial Litigation and Alternative Dispute Resolution

Consumer Finance Litigation

Employment Law

Environmental Advice and Litigation

Fiduciary Litigation

Securities Litigation and Arbitration

Visa/MasterCard Legal Advisory Committee. Chapman attorneys served on the Visa/MasterCard Legal Advisory Committee and were instrumental in spearheading a Merchant Acquiring Subcommittee to discuss sophisticated industry issues, and we are well versed in Visa and MasterCard association bylaws, rules, and operating agreements.

REPRESENTATIVE MATTERS

- Represented a merchant in action brought after termination of merchant services agreement for accounting and return of reserve amounts held by merchant processor.
- Successfully defended a merchant bank in a lawsuit alleging breach of a merchant services agreement and other claims relating to placement on the MasterCard MATCH system, merchant chargebacks, and fraudulent credit vouchers.
- Obtained a favorable settlement for a merchant bank as creditor in a merchant bankruptcy and separate federal court litigation regarding significant chargeback claims.
- Represented a merchant bank in a case involving an issue of first impression about the recovery of credit card chargebacks through an order for restitution in a criminal case.