

PRESS RELEASE

FOR IMMEDIATE RELEASE

Date: Apr. 13, 2023
Media Contact: Justin Clements
Tel: 877.634.9808
Mobile: 812.621.0631
Email: j.clements@chargebacks911.com



Chargebacks911 Responds to FTC Complaint, 'Inaccurate' Accusations

Chargebacks911 is aware of the complaint filed by Attorney General Ashley Moody and the Federal Trade Commission against the company and its owners. The complaint misunderstands Chargebacks911's role in the industry and makes a series of inaccurate accusations that are factually and legally wrong, setting a dangerous precedent for all SaaS companies that could interrupt the roles, rights, and obligations of stakeholders industrywide.

TAMPA, Fla. - Following a complaint filed in federal court Wednesday by the Federal Trade Commission (FTC) and Florida's Attorney General Ashley Moody, Chargebacks911 has released the following public statement regarding the allegations:

"Since 2012, Chargebacks911 has been dedicated to supporting the growing needs of businesses facing the high volume of chargebacks and disputes. We have always followed all rules, laws and processes, and will aggressively defend the purpose of our business, the privacy of our clients, and our own corporate ethics and reputation against overreach by the government and its various policing bodies.

We provide software solutions to merchants and banks; we do not interact with consumers, take money from them, or have access to their credit card information. We provide workflow automation software for merchants and banks. Our solutions are designed to support claim management actions, including those made in error or fraudulently filed, following the processes that are regulated and managed by the payments industry. At no time does a firm like ours have any say in whether a dispute is reversed or not; only the regulated financial institutions and the consumers themselves may decide to surrender the chargeback claim.

The company takes these allegations seriously, and will continue to stand up for the rights of merchants and the industry."

What prompted this claim

Out of the millions of merchants who interact with the Chargebacks911 software, three merchants were sued by the FTC for allegedly running consumer scams.

As Chargebacks911 is not a regulated payment processor or financial institution, Chargebacks911 does not manage merchant accounts nor monitor any data feedback exchanged by or on behalf of the merchant, nor do we have any duty or right to modify merchant data. Further, it would be legally wrong for

Chargebacks911 to exercise authority over duties and obligations that exist as a requirement for financially regulated entities.

Put into perspective

The Chargebacks911 software is very similar to a TurboTax or a DocuSign service in that any user can configure packages/templates, populate/insert information, and transmit their information to their designated destination. As a SaaS provider (Software-as-a-Service), Turbo Tax or DocuSign do not check the veracity of the information sent.

The FTC, however, believes that Chargebacks911 should take responsibility for the accuracy of any data that goes through the SaaS platform, and that any configuration done by the merchant using software is Chargebacks911's responsibility.

Attempting to enforce this role is tantamount to telling Microsoft that they are responsible for any fraudulent statement that is made on a Word document, or assigning liability to any fraudulent tax return that is compiled through TurboTax.

Not only are the FTC allegations inaccurate, but the proposed enforcement/settlement originally sought by the FTC against Chargebacks911, would have been illegal, contractually impossible to undertake and contradict existing rules and regulated roles of stakeholders in the industry.

The FTC and Florida's Attorney General are looking to set a precedent that will have adverse and industry-wide consequences for any software-as-a-service provider.

###

[About Chargebacks911](#)

Chargebacks911® drives profitability for online merchants by decreasing payment disputes and recovering revenue lost to chargeback fraud. Through a proprietary suite of software and service offerings, the company delivers transparent, end-to-end chargeback management solutions backed by the industry's only performance-based ROI guarantee.