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Reg E: Errors & Disputes

October 27, 2020

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David A. Dickinson

David's banking career began as a field examiner for the FDIC in 1990. He later became a Compliance Officer and Loan Officer for a small bank. In 1993, he established Banker's Compliance Consulting. Along with his amazingly talented Team, he has written numerous compliance articles for prestigious banking publications and has developed compliance seminars that Banker's Compliance Consulting produces.

He is an expert in compliance regulations. He is also a motivational speaker and innovative educator. His quick wit and sense of humor transforms the usually tiring topic of compliance into an enjoyable educational experience. David is on the faculty of the Center for Financial Training, the American Bankers Association National Compliance Schools and is a frequent speaker at the ABA's Regulatory Compliance Conference. He is also a trainer for hundreds of webinars, is a Certified Regulatory Compliance Manager (CRCM) and has been a BankersOnline Guru for many years. The American Bankers Association honored David with their Distinguished Service Award in 2016.

David and his wife Karen have three adult children and two grandsons (none of whom live at home!) and three cats (of which Dave is allergic ... the cats, not the children!). They live on a lake in Nebraska and when possible, he can be found fishing or making sawdust in his shop. David plays the guitar & piano and enjoys singing with Karen. They occasionally lead worship at their church.

Table of Contents

ELECTRONIC FUNDS TRANSFER ACT.....	
I. Standard (Baseline) Liability Resolution Under §1005.6	1
II. Liability and Resolution Under §1005.11 (Strict Timing Rules)	9
III. Service Providers	16
IV. Tying It All Together – Unauthorized Transactions §1005.6 vs. §1005.11	17
What is the Customer Reporting?	18
What are the Results of the Investigation?	19
V. Common Error Resolution Misconceptions	20

This publication is designed to provide accurate and authoritative information in regard to the subject matter covered. The information contained within this manual pertains to federal regulations. Banker's Compliance Consulting makes every attempt to understand applicable state laws as well; however, this information may not be represented in this manual. If you are aware of state laws that conflict with information presented in this manual, please contact Banker's Compliance Consulting. This publication contains the author's opinion on the subject. All rights reserved. This manual may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. The publisher hereby specifically disclaims any personal liability for loss or risk incurred as a consequence of the advice or information presented in this book.

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Printed in the United States of America

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Electronic Funds Transfer Act

12 CFR 1005

I. Standard (Baseline) Liability Resolution Under §1005.6:

A consumer's liability for an unauthorized electronic fund transfer or a series of related unauthorized transfers shall be determined as follows: [§1005.6(b)]

A. Notice From the Consumer:

Notice to a financial institution is given when a consumer takes steps reasonably necessary to provide the institution with the pertinent information, whether or not a particular employee or agent of the institution actually receives the information. [§1005.6(b)(5)]

1. Format:

*The consumer may notify the institution **in person**, by **telephone**, or **in writing**. [§1005.6(b)(5)]: Notice ..is considered given when a consumer takes reasonable steps to provide the institution with the pertinent account information. **Even when the consumer is unable to provide the account number or the card number** in reporting a lost or stolen access device or an unauthorized transfer, the notice effectively limits the consumer's liability if the consumer otherwise identifies sufficiently the account in question. For example, **the consumer may identify the account by the name on the account and the type of account in question**. [Staff Interpretations to §1005.6(b)(5) #3]*

2. Date of Notice:

*Written notice is considered given **at the time the consumer mails the notice or delivers it for transmission** to the institution by any other usual means. Notice may be considered constructively given when the institution becomes aware of circumstances leading to the reasonable belief that an unauthorized transfer to or from the consumer's account has been or may be made. [§1005.6(b)(5)]*

3. CFPB Warning:

A financial institution cannot deny an error claim on the basis of a consumer failing to provide additional information, or require the consumer to contact the merchant involved first. [CFPB Supervisory Highlights – Fall 2014]

https://files.consumerfinance.gov/f/201410_cfpb_supervisory-highlights_fall-2014.pdf

Electronic Funds Transfer Act

B. Statement + 60 Liability (Subsequent Transfers):

A consumer must report an unauthorized electronic fund transfer that appears on a periodic statement within 60 days of the financial institution's transmittal of the statement to avoid liability for subsequent transfers. If the consumer fails to do so, the consumer's liability shall not exceed the amount of the unauthorized transfers that occur after the close of the 60 days and before notice to the institution, and that the institution establishes would not have occurred had the consumer notified the institution within the 60-day period. When an access device is involved in the unauthorized transfer, the consumer may be liable for other amounts (see the \$50/\$500 liability limits)... [§1005.6(b)(3)]

C. Access Device Unauthorized EFTs:

1. Notice Within 2 Business Days – \$50 Maximum Consumer Liability:

If the consumer notifies the financial institution within two business days after learning of the loss or theft of the access device, the consumer's liability shall not exceed the lesser of \$50 or the amount of unauthorized transfers that occur before notice to the financial institution. [§1005.6(b)(1)]

Example #1

Monday	Consumer's debit card is stolen
Wednesday	Consumer learns of theft
Thursday	Unauthorized EFT of \$100 (using debit card)
Friday	Consumer notifies financial institution of theft
Financial institutions may not hold the consumer liable for more than \$50 of the \$100 transfer	

Example #2

Monday	Consumer's debit card is stolen
Tuesday	Unauthorized EFT of \$35 (using debit card)
Wednesday	Consumer learns of theft
Friday	Consumer notifies financial institution of theft
Financial institutions may hold the consumer liable for the \$35 transfer	

Example #3

Monday	Consumer's debit card is stolen
Tuesday	Unauthorized EFT of \$35 (using debit card)
Wednesday	Consumer learns of theft
Thursday	Unauthorized EFT of \$100 (using debit card)
Friday	Consumer notifies financial institution of theft
Financial institutions may hold the consumer liable for only \$50 of the \$135 in transfers	

Electronic Funds Transfer Act

2. Notice NOT Within 2 Business Days = \$500 Maximum Consumer Liability:

If the consumer fails to notify the financial institution within two business days after learning of the loss or theft of the access device, the consumer's liability shall not exceed the lesser of \$500 or the sum of: \$50 or the amount of unauthorized transfers that occur within the two business days, whichever is less; and the amount of unauthorized transfers that occur after the close of two business days and before notice to the institution, provided the institution establishes that these transfers would not have occurred had the consumer notified the institution within that two-day period. [§1005.6(b)(2)]

...the consumer's card is stolen on Monday and the consumer learns of the theft that same day. The consumer reports the theft on Friday. The \$500 limit applies because the consumer failed to notify the financial institution within two business days of learning of the theft (which would have been by midnight Wednesday). How much the consumer is actually liable for, however, depends on when the unauthorized transfers take place. In this example, assume a \$100 unauthorized transfer was made on Tuesday and a \$600 unauthorized transfer on Thursday. Because the consumer is liable for the amount of the loss that occurs within the first two business days (but no more than \$50), plus the amount of the unauthorized transfers that occurs after the first two business days and before the consumer gives notice, the consumer's total liability is \$500 (\$50 of the \$100 transfer plus \$450 of the \$600 transfer, in this example). But if \$600 was taken on Tuesday and \$100 on Thursday, the consumer's maximum liability would be \$150 (\$50 of the \$600 plus \$100). [Staff Interpretations to §1005.6(b)(2)]

Example #1

Monday	Consumer's debit card is stolen AND consumer learns of the theft
Tuesday	Unauthorized EFT of \$100 (using debit card)
Thursday	Unauthorized EFT of \$600 (using debit card)
Friday	Consumer notifies financial institution of theft. Bank's systems are set up to immediately freeze an account after notice of unauthorized EFT. If consumer had provided notice on Wednesday, the \$600 transfer would not have occurred.
Financial institutions may hold the consumer liable for \$500, calculated as follows:	
<ul style="list-style-type: none">• \$50 of the \$100 transfer, plus• \$450 of the \$600 transfer	

Example #2

Monday	Consumer's debit card is stolen AND consumer learns of the theft
Tuesday	Unauthorized EFT of \$600 (using debit card)
Thursday	Unauthorized EFT of \$100 (using debit card)
Friday	Consumer notifies financial institution of theft
Financial institutions may hold the consumer liable for only \$150, calculated as follows:	
<ul style="list-style-type: none">• \$50 of the \$600 transfer, plus• Entire \$100 transfer	

Electronic Funds Transfer Act

3. Statement + 60 Access Device Liability Limits:

If a periodic statement shows an unauthorized transfer made with a lost or stolen debit card, the consumer must notify the financial institution within 60 calendar days after the periodic statement was sent; otherwise, the consumer faces unlimited liability for all unauthorized transfers made after the 60-day period. The consumer's liability for unauthorized transfers before the statement is sent, and up to 60 days following, is...

a. \$50 Maximum:

*...up to \$50 if the consumer notifies the financial institution **within two business days of learning of the loss or theft of the card....** [Staff Interpretations to §1005.6(b)(3)#1]*

b. \$500 Maximum:

*...up to \$500 if the consumer notifies the institution **after two business days of learning of the loss or theft.** [Staff Interpretations to §1005.6(b)(3)#1]*

Example #1

Jan. 1	Consumer's debit card is stolen AND consumer learns of the theft
Jan. 2	Unauthorized EFT of \$100 (using debit card)
Jan. 6	Unauthorized EFT of \$600 (using debit card)
Jan. 30	Periodic statement is transmitted showing unauthorized EFTs of \$100 and \$600
Apr. 10	Unauthorized EFT of \$400
Apr. 11	Consumer notifies financial institution of theft
Financial institutions may hold the consumer liable for \$900, calculated as follows:	
<ul style="list-style-type: none">• \$50 of the \$100 transfer, plus• \$450 of the \$600 transfer, plus• \$400 of the \$400 transfer	

Example #2

Jan. 1	Consumer's debit card is stolen AND consumer learns of the theft
Jan. 2	Unauthorized EFT of \$100 (using debit card)
Jan. 6	Unauthorized EFT of \$600 (using debit card)
Jan. 30	Periodic statement is transmitted showing unauthorized EFTs of \$100 and \$600
Feb. 5	Unauthorized EFT of \$400
Feb. 20	Consumer notifies financial institution of theft
Financial institutions may hold the consumer liable for \$500, calculated as follows:	
<ul style="list-style-type: none">• \$50 of the \$100 transfer, plus• \$450 of the \$600 transfer, plus• \$0 of the \$400 transfer	

Electronic Funds Transfer Act

c. Visa \$0 Liability:

Visa requires those that use the Visa logo on a debit card to limit cardholder liability for unauthorized Visa Debit Card transactions on lost or stolen cards to \$0 liability (unless the card holder was grossly negligent). The same liability applies to all POS transactions including ATM Cards used for Interlink transactions.

d. MasterCard \$0 Liability:

MasterCard requires banks that use the MasterCard logo on a debit card to limit cardholder liability for unauthorized MasterCard Debit Card transactions on lost or stolen cards to \$0 liability (unless the card holder was grossly negligent).

Electronic Funds Transfer Act

4. Visa and MasterCard Liability Initial Disclosure Language:

The bank's Electronic Funds Transfer disclosure should include statements similar to the following (as applicable). The statement will need to be amended to reflect your state law and/or other agreements (as applicable).

a. Visa:

i. Liability:

Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen Visa Debit Card. This additional limit on liability does not apply to ATM transactions, to transactions using your Personal Identification Number, which are not processed by Visa or to commercial cards.

ii. Investigations:

If you report a lost or stolen Visa Debit Card we will investigate promptly and we will tell you the results of our investigation within five (5) business days. If we need more time, however, we may take up to ninety (90) days to investigate your complaint or question. If we decide to do this, we will recredit your account within five (5) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation.

b. MasterCard:

Zero liability applies to transactions made in the store, over the telephone or online. As a cardholder, you will not be held responsible for unauthorized transactions if:

- Your account is in good standing;
- You have exercised reasonable care in safeguarding your card from loss or theft; and
- You have not reported to your bank two or more unauthorized use events in the past 12 months.

If these conditions are not met and you suspect that you have an unauthorized transaction on your MasterCard, contact your bank as additional protections may apply.

Zero Liability does not apply to MasterCard payment cards:

- Used for commercial, business or agricultural purposes (PLEASE NOTE: Zero Liability does apply to MasterCard credit and debit cards for small businesses); or
- Anonymous prepaid cards, such as store or gift cards, until such time as the identity of the cardholder has been registered with the financial institution that issued the card.

Electronic Funds Transfer Act

D. All Other Unauthorized EFTs (i.e. ACH, No Access Device) – No \$50/\$500 Limits:

For transfers not involving access device, the consumer's **liability will be determined via the statement + 60 limit**. *If... the consumer fails to report such unauthorized transfers within 60 calendar days of the financial institution's transmittal of the periodic statement, the consumer may be liable for any transfers occurring after the close of the 60 days and before notice is given to the institution.* [Staff Interpretations to §1005.6(b)(3) #2]

Mar. 15	Consumer's account is electronically debited without authorization for \$200
Apr. 2	Financial institution transmits periodic statement containing unauthorized EFT
June 2	Unauthorized EFT of \$400 (61 days after periodic statement transmittal)
June 4	Consumer notifies the financial institution

Financial institutions may hold the consumer liable for only \$400 of the total \$600 in transfers, calculated as follows:

- \$0 of the \$200 transfer, and
- \$400 of the \$400 transfer

E. Timeframe Extensions:

If the consumer's delay in notifying the financial institution was **due to extenuating circumstances**, the *...institution shall extend the times specified above* (two-day notice and statement + 60) *to a reasonable period*. [§1005.6(b)(4)]

F. Consumer Negligence:

Negligence by the consumer cannot be used as the basis for imposing greater liability than is permissible under Regulation E. Thus, consumer behavior that may constitute negligence under state law, such as writing the PIN on a debit card or on a piece of paper kept with the card, does not affect the consumer's liability for unauthorized transfers. [Staff Interpretations to §1005.6(b) #2]

National banks are reminded that a consumer cannot assume greater liability for negligence than is permissible under the EFTA and Regulation E. For example, some national banks provide disclosures stating that if customers keep personal identification numbers with or on their ATM card, they must agree to release the bank from liability for unauthorized transfers. This is a violation of the EFTA, which generally states that the bank cannot enter into an agreement that involves a waiver of the consumer's rights under the statute. The extent of the customer's liability is determined by the promptness in reporting loss or theft of an access device, not by the consumer's negligence.

[Page 38 of the OCC Deposit Services Handbook – <http://www.occ.treas.gov/handbook/deperv.pdf>]

Electronic Funds Transfer Act

Consumer Liability for Unauthorized Transfers

Event	Timing of consumer notice to financial institution	Maximum liability
Loss or theft of access device ¹	Within two business days after learning of loss or theft	Lesser of \$50 <i>or</i> total amount of unauthorized transfers
Loss or theft of access device	More than two business days after learning of loss or theft up to 60 calendar days after transmittal of statement showing first unauthorized transfer made with access device.	Lesser of \$500 <i>or</i> the sum of: (a) \$50 or the total amount of unauthorized transfers occurring in the first two business days, whichever is less, <i>and</i> (b) The amount of unauthorized transfers occurring after two business days and before notice to the financial institution. ²
Loss or theft of access device	More than 60 calendar days after transmittal of statement showing first unauthorized transfer made with access device.	For transfers occurring within the 60-day period, the lesser of \$500 <i>or</i> the sum of (c) Lesser of \$50 or the amount of unauthorized transfers in first two business days, <i>and</i> (d) The amount of unauthorized transfers occurring after two business days. For transfers occurring after the 60-day period, unlimited liability (until the financial institution is notified). ³
Unauthorized transfer(s) not involving loss or theft of an access device	Within 60 calendar days after transmittal of the periodic statement on which the unauthorized transfer first appears.	No liability.
Unauthorized transfer(s) not involving loss or theft of an access device	More than 60 calendar days after transmittal of the periodic statement on which the unauthorized transfer first appears.	Unlimited liability for unauthorized transfers occurring 60 calendar days after the periodic statement and before notice to the financial institution.

1. Includes a personal identification number (PIN) if used without a card in a telephone transaction, for example.

2. Provided the financial institution demonstrates that these transfers would not have occurred had notice been given within the two-business-day period.

3. Provided the financial institution demonstrates that these transfers would not have occurred had notice been given within the 60-day period.

[Federal Reserve Board Consumer Compliance Handbook – page 8 (Reg. E)]

Electronic Funds Transfer Act

II. Liability and Resolution Under §1005.11 (Strict Timing Rules):

A. Notice from the Consumer:

1. Format:

*A financial institution shall comply with the requirements of this section with respect to any **oral or written notice** of error from the consumer... [§1005.11(b)(1)]*

a. Name and Account Number:

Enables the institution to identify the consumer's name and account number... [§1005.11(b)(1)(ii)]

b. Description of the Error:

Indicates why the consumer believes an error exists and includes to the extent possible the type, date, and amount of the error.... [§1005.11(b)(1)(iii)]

2. Date of Notice:

a. Within 60 Days of Statement Delivery:

Is received by the institution no later than 60 days after the institution sends the periodic statement or provides the passbook documentation... on which the alleged error is first reflected. [§1005.11(b)(1)(i)]

b. Not Within 60 Days of Statement Delivery:

*An institution is not required to comply with the requirements of this section for any notice of error from the consumer that is received by the institution later than 60 days from the date on which the periodic statement first reflecting the error is sent. Where the consumer's assertion of error involves an unauthorized EFT, however, the institution must comply with **§1005.6 (standard liability)** before it may impose any liability on the consumer. [Commentary to §1005.11(b)(1) #7]*

Electronic Funds Transfer Act

c. Documentation or Clarification Requests:

*When a notice of error is based on documentation or clarification that the consumer requested (in connection with a periodic statement or receipt)... the consumer's notice of error is timely if received by the financial institution **no later than 60 days after the institution sends the information requested.** [§1005.11(b)(3)]*

d. Held Statements:

*When a consumer has arranged for periodic statements to be held until picked up, the statement for a particular cycle is **deemed to have been transmitted on the date the financial institution first makes the statement available to the consumer.** [Commentary to §1005.11(b)(1) #3]*

3. Written Confirmation (Optional):

a. Within 10 Days:

*A financial institution **may (should) require the consumer to give written confirmation of an error within 10 business days of an oral notice.** An institution that requires written confirmation shall inform the consumer of the requirement and provide the address where confirmation must be sent when the consumer gives the oral notification. [§1005.11(b)(2)]*

b. Prompt Investigation:

*A financial institution **must begin its investigation promptly upon receipt of an oral notice (even if the consumer has not yet provided written confirmation).** [Commentary to §1005.11(c) #2]*

c. No Written Notice, No Investigation Delay:

*While a **financial institution** may request a written, signed statement from the consumer relating to a notice of error, it **may not delay initiating or completing an investigation pending receipt of the statement.** [Commentary to §1005.11(b)(1) #2]*

Electronic Funds Transfer Act

B. Correction Without Investigation:

A financial institution may make, without investigation, a final correction to a consumer's account in the amount or manner alleged by the consumer to be in error, but must comply with all other applicable requirements of §1005.11. [Staff Interpretations to §1005.11(c) #4]

C. Investigation Time Limits:

1. Initial Investigation:

a. Timeframe:

i. General:

A financial institution shall investigate promptly and... determine whether an error occurred within 10 business days of receiving a notice of error. [§1005.11(c)(1)]

ii. Visa POS Transactions:

A financial institution shall investigate promptly and... determine whether an error occurred within... 5 business days ...of receiving a notice of error. [§1005.11(c)(1)]

iii. New Accounts:

The applicable time is 20 business days in place of 10 business days... if the notice of error involves an electronic fund transfer to or from the account within 30 days after the first deposit to the account was made. [§1005.11(c)(3)(i)]

b. Correct the Error:

The institution shall correct the error within one business day after determining that an error occurred. [§1005.11(c)(1)]

c. Notify the Consumer:

The institution shall report the results to the consumer within three business days after completing its investigation. [§1005.11(c)(1)]

Electronic Funds Transfer Act

2. Extended Investigations:

a. Timeframes:

i. General:

*If the financial institution is unable to complete its investigation within 10 business days, the **institution may take up to 45 days** from receipt of a notice of error to investigate and determine whether an error occurred, provided the institution... follows the timing requirement for correcting errors, notifying the consumer and reporting the results.*
[§1005.11(c)(2)]

ii. Visa POS Transactions:

*If the financial institution is unable to complete its investigation within... 5 business days, the **institution may take up to... 90 days** ...from receipt of a notice of error to investigate and determine whether an error occurred, provided the institution.... follows the timing requirement for correcting errors, notifying the consumer and reporting the results.*
[§1005.11(c)(2)]

iii. Other:

*The applicable time is **90 days** in place of 45 days...for completing an investigation, if a notice of error involves an electronic fund transfer that:*

A.) Initiated Out of State

B.) POS Transaction

C.) New Account:+

Occurred within 30 days after the first deposit to the account was made.

[§1005.11(c)(3)(ii)]

Electronic Funds Transfer Act

b. Provide Provisional Credit (Walking Around Money):

i. Timeframe:

*Provisionally credits the consumer's account... **within 10 business days (5 if Visa POS transaction)** of receiving the error notice. [§1005.11(c)(2)(i)]*

ii. Credit Amount:

A.) The Amount of Alleged Error [§1005.11(c)(2)(i)]

B.) Lost Interest (Interest Bearing Accounts) [§1005.11(c)(2)(i)]

C.) \$50 Access Device Liability Limit (see 1005.6):

If the financial institution has a reasonable basis for believing that an unauthorized electronic fund transfer has occurred and the institution has [provided appropriate initial disclosure], the institution may withhold a maximum of \$50 (\$0 if Visa/MasterCard POS) from the amount credited. [§1005.11(c)(2)(i)]

iii. No Written Notice, No Provisional Credit:

*An institution **need not provisionally credit** the consumer's account **if the institution requires but does not receive written confirmation within 10 business days** of an oral notice of error.... [§1005.11(c)(2)(i)(A)]*

c. Correct the Error:

*Corrects the error, if any, **within one business day after determining that an error occurred**.... [§1005.11(c)(2)(iii)]*

d. Notify the Consumer:

*Informs the consumer, **within two business days after the provisional crediting**, of the amount and date of the provisional crediting and gives the consumer full use of the funds during the investigation... [§1005.11(c)(2)(ii)]*

e. Report the Results:

*Reports the results to the consumer **within three business days after completing its investigation** (including, if applicable, notice that a provisional credit has been made final). [§1005.11(c)(2)(iv)]*

Electronic Funds Transfer Act

D. Investigation Outcome:

1. Correcting An Error – Make It Like It Never Happened:

*If the financial institution determines an error occurred, within either the 10-day or 45-day period, it must correct the error... including, where applicable, **the crediting of interest and the refunding of any fees imposed by the institution.** In a combined credit/EFT transaction, for example, the institution must refund any finance charges incurred as a result of the error. The institution need not refund fees that would have been imposed whether or not the error occurred. [Staff Interpretations to §1005.11(c)#6]*

2. If No Error or a Different Error Occurred:

*If the financial institution ..determines **that no error occurred or that an error occurred in a manner or amount different** from that described by the consumer... [§1005.11(d)]:*

a. Notification:

i. In Writing:

*The institution's report of the results of its investigation **shall include a written explanation** of the institution's findings... [§1005.11(d)(1)]*

ii. Right to Documentation:

*The institution's report of the results of its investigation...**shall note the consumer's right to request the documents** that the institution **relied on in making its determination.** **Upon request, the institution shall promptly provide copies** of the documents. [§1005.11(d)(1)]*

Electronic Funds Transfer Act

b. Reversing Provision Credit:

The customer must be notified of the date and the amount of the reversal. The bank can follow either of the following:

i. “Was Reversed” (Recommended Method):

Notify the customer that the **provisional credit has been reversed as of the date of the notice**. The notice must indicate that the bank *...will honor checks, drafts, or similar instruments payable to third parties and preauthorized transfers from the consumer's account (without charge to the consumer as a result of an overdraft) for five business days after the notification.* [§1005.11(d)(2)]

ii. “Will be Reversed” (Not Recommended):

Notify the customer that the **provisional credit will be reversed ...five business days from the transmittal of the notification...** [Staff Interpretations to §1005.11(d)(2)#1]

Electronic Funds Transfer Act

III. Service Providers:

A. Regulation E vs. Service Provider Agreements/Requirements

B. Chargeback Rights

C. Signed Receipts

D. Other Issues?

Electronic Funds Transfer Act

IV. Tying It All Together – Unauthorized Transactions §1005.6 vs. §1005.11:

A. Consumer Notice Within 60 Days (Statement Delivery) + Written Claim Within 10 Business Days:

1. Provisional Credit **IS** Required
2. Follow §1005.11 Investigation Rules (Strict Timing Provisions)
3. Adhere to §1005.6 Liability Limits

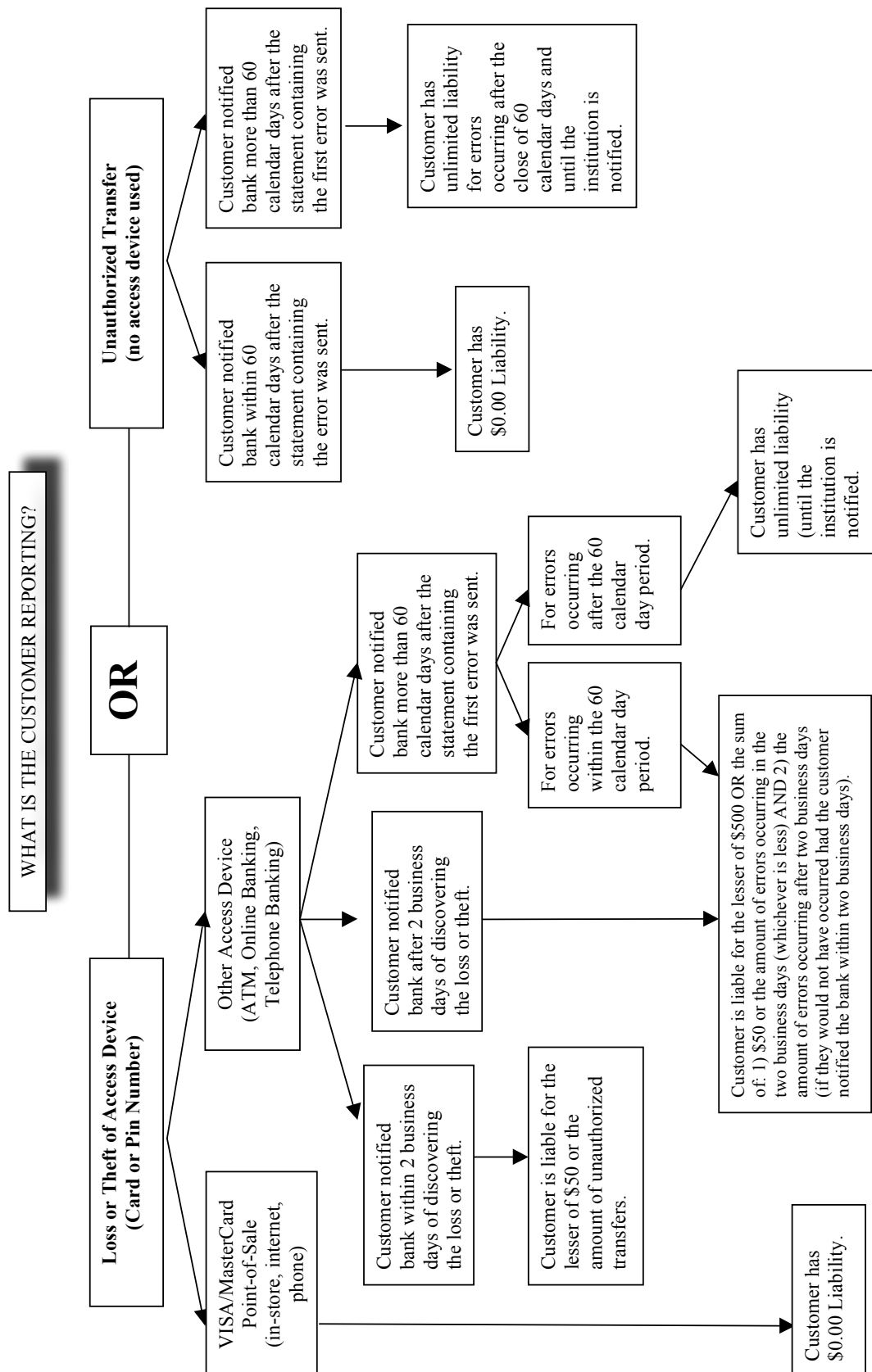
B. Consumer Notice Within 60 Days (Statement Delivery) + No Written Claim:

1. Provisional Credit **NOT** Required
2. Follow §1005.11 Investigation Rules (Strict Timing Provisions)
3. Adhere to §1005.6 Liability Limits

C. Consumer Notice **NOT** within 60 Days (Statement Delivery):

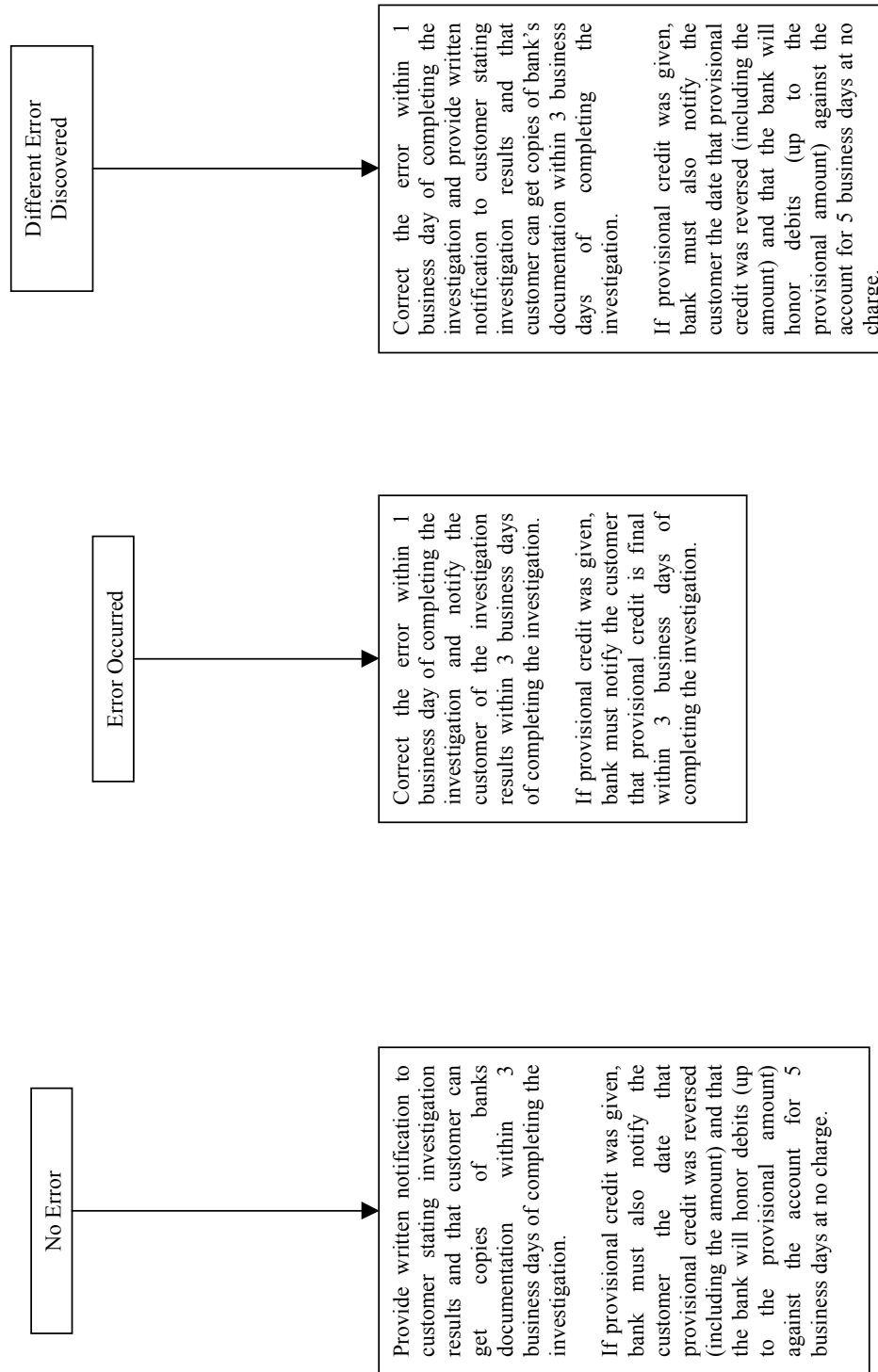
1. Provisional Credit **NOT** Required
2. Follow §1005.6 Investigation Rules (No Strict Timing Provisions)
3. Adhere to §1005.6 Liability Limits

Electronic Funds Transfer Act



Electronic Funds Transfer Act

WHAT ARE THE RESULTS OF THE INVESTIGATION?



Electronic Funds Transfer Act

V. Common Error Resolution Misconceptions:

A. No Claim:

If the customer doesn't make a written claim, no investigation is required.

B. Police Reports:

We can require a police report.

C. Family Members:

If a family member used the card, it is authorized.

D. "Evergreen" Use:

If someone grants permission to use the card once, "evergreen" use is granted.

E. 60 Days:

If the customer makes a claim after 60 days, the bank has no liability.

F. Merchant First:

The customer must attempt to resolve the error with the merchant first.

G. Card Never Lost:

If the customer has their card and never lost it, they must have completed the transaction (we can deny the claim).

H. Charges For Error Resolution:

A financial institution may impose a charge for any aspect of the error resolution process (i.e. documentation investigation). [Commentary to §1005.11(c) #3]