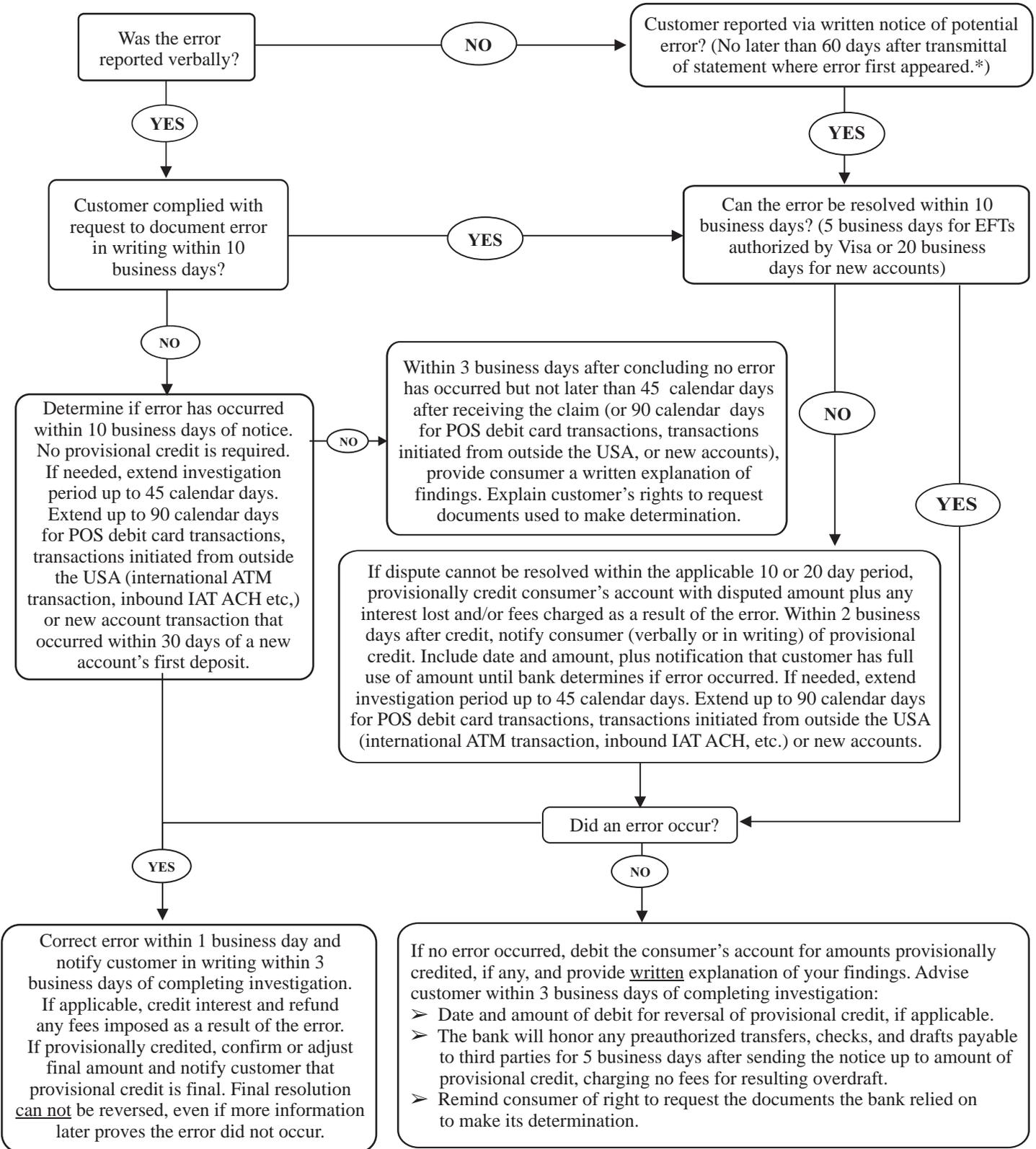


# EFTA Reg E - ERROR RESOLUTION FLOW CHART

Applies to Consumer Accounts Only



**\* Note:** If consumer reports dispute later than 60 calendar days following **transmittal** of statement where error first appeared:

- You must still investigate and determine whether or not an error occurred;
- No Reg E deadlines for timely completion of investigation apply;
- No provisional credit is required, regardless of customer's written or verbal dispute; and
- Same liability calculations apply to determine customer liability as for a timely reported dispute.

Final resolution can not be reversed, even if more information later proves the error did not occur.

**IMPORTANT:** Refer to clarifying details and consumer liability calculations on next page!

## EFTA Reg E - ERROR RESOLUTION QUICK REFERENCE GUIDE

**Regulation E Section 205.11 defines 7 types of EFT Errors that qualify for the resolution process noted on the previous page.**

1. An unauthorized transaction is a transaction that was initiated by someone other than the account holder and the account holder did not receive any benefit from the transfer. An unauthorized transaction does not include:
  - EFT with fraudulent intent by the consumer or person acting in concert with consumer
  - EFT error committed by a financial institution or its employees
  - EFT initiated by person other than consumer owner to whom the consumer owner furnished the card, code or other means of access unless owner notified the bank that transfers by that other person are no longer authorized
2. Incorrect EFT to or from consumer account.
3. Omission of an EFT from statement (usually a credit, but not always).
4. An EFT computational or bookkeeping error made by the financial institution.
5. Receipt of incorrect amount of money at an ATM or other cash dispensing terminal.
6. EFT not properly identified and the customer does not recognize the transaction.
7. Consumer request for clarification or other information or documentation to determine whether an error was made.

### Error Resolution Responsibilities

- Customer must notify financial institution as soon as an error is known or suspected.
- The financial institution must investigate, and quickly resolve the potential error, within the appropriate time period.

### Customer Responsibilities

- To limit the customer's liability, oral or written notice must be provided to the financial institution
  - Within 2 business days following learning of the loss or theft of an access device, **OR**
  - Within 60 calendar days of transmittal of statement containing first error if no access device was lost or stolen.
- It is the bank's option to require written notice within 10 business days of verbal notice to the bank to receive provisional credit. The written notice should include the customer's name, account number and description of the error. If written notice is not provided with 10 business days, the customer is not entitled to provisional credit, but the investigation must still be completed on a timely basis (within the applicable 45 or 90 day period).

### Consumer Negligence

- Negligence on a consumer's part cannot be considered to impose more liability on the consumer than allowed in Reg E.
- If the consumer writes PIN on card or on paper attached to the card, the bank cannot claim consumer negligence and impose additional burden on the consumer. MasterCard and Visa do have some different rules for chargeback processing in the case of customer negligence. Refer to the operating rules for your branded cards.

## CONSUMER LIABILITY CALCULATIONS

Select the appropriate chart based on whether the customer's access device was lost or stolen (debit card lost, online banking user name and password stolen, etc.) or whether the transaction was first noted on the account statement (i.e. ACH transaction that is unauthorized or an incorrect amount, counterfeit debit card transaction, etc.).

