

# Electronic Fund Transfer Act (EFTA) Policy and Procedures

## POLICY STATEMENT

It is the policy of [*insert the name of your credit union*] (“Credit Union”) to comply with the requirements of the Electronic Fund Transfer Act (15 USC 1693) (the “EFTA”) and Regulation E (12 CFR 1005). The Credit Union permits members to access their transaction and savings accounts by electronic fund transfer (EFT).

Through the execution of this policy, the board directs management to implement procedures that will establish the rights, liabilities, and responsibilities of all participants in the EFT system. It will be the responsibility of [*insert the title of the person responsible for Regulation E compliance at Credit Union*] to be aware of the regulations and laws governing such transactions and to ensure that the Credit Union is in compliance with the law and regulation at all times.

## COVERAGE

This policy covers any type of EFT that authorizes the Credit Union to debit or credit a member’s account.

## KEY DEFINITIONS

*Access device* means a card, code, or other means of access to a member’s account, or any combination thereof, that may be used by the member to initiate EFTs.

*Account* means a demand deposit (checking), savings, or other member asset account (including a payroll card) held directly or indirectly by the Credit Union and established primarily for personal, family, or household purposes.

For purposes of this policy, references to “*member*” or “*consumer*” mean a natural person.

*Electronic fund transfer (EFT)* means any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a member’s account. The term includes, but is not limited to:

- Point-of-sale transfers;
- Automated teller machine (ATM) transfers;
- Direct deposits or withdrawal of funds;
- Transfers by telephone;

- Transfers resulting from debit card transactions, whether or not initiated through an electronic terminal;
- Payroll and gift cards; and
- Electronic check conversions (ECKs).

The term *electronic fund transfer (EFT)* does not include:

- Checks or drafts;
- Check guarantee or authorization programs;
- Wire or other similar transfers;
- Securities and commodities transfers; and
- Automatic transfers by account-holding institution.

The term *error* means:

- An unauthorized EFT;
- An incorrect EFT to or from the member's account;
- The omission of an EFT from a periodic statement;
- A computational or bookkeeping error made by the Credit Union relating to an EFT;
- The member's receipt of an incorrect amount of money from an electronic terminal;
- An EFT not identified correctly; or
- The member's request for documentation or for additional information or clarification concerning an EFT, including a request the member makes to determine whether an error exists.

The term *error* does not include:

- A routine inquiry about the member's account balance;
- A request for information for tax or other recordkeeping purposes; or
- A request for duplicate copies of documentation.

*Preauthorized electronic fund transfer* means an EFT authorized in advance to recur at substantially regular intervals.

## **DISCLOSURE REQUIREMENTS**

Disclosures required under Regulation E are to be clear and readily understandable, in writing, and in a form the member may keep.

## **Initial Disclosures**

Initial written disclosures will be made at the time a member contracts for an EFT service or before the first EFT is made involving the member's account. If an EFT service is added to a member's account and is subject to terms and conditions different from those described in the initial disclosures, the Credit Union will provide disclosures for the new service.

The contents of such disclosures will include, as applicable:

- A summary of the member's liability for unauthorized EFTs as set forth under Regulation E and under state or other applicable law or agreement;
- The telephone number and address of the person or office the member should notify if they discover an error;
- The Credit Union's business days;
- The type of EFTs that the member may make and any limitations on the frequency and dollar amount of transfers;
- Any fees the Credit Union imposes for EFTs or for the right to make transfers;
- A summary of the member's right to receipts and periodic statements;
- A summary of the member's right to stop payment of a preauthorized EFT and the procedure for placing a stop-payment order;
- A summary of the Credit Union's liability to the member for failure to make or stop certain transfers;
- The circumstances under which, in the ordinary course of business, the Credit Union may provide information concerning the member's account to third parties;
- A notice that is substantially similar to the model form in the regulation concerning error resolution (including the model for payroll cards, if applicable); and
- A notice that a fee may be imposed by an ATM operator when the member initiates an EFT or makes a balance inquiry, and by any network used to complete the transaction.

## **FEES FOR OVERDRAFTS CAUSED BY ATM AND ONE-TIME DEBIT CARD TRANSACTIONS**

When a new account is opened, we will provide a notice:

- describing the Credit Union's overdraft service,
- disclosing the fees for overdrawing an account by either an ATM transaction or a one-time debit card transaction; and
- providing a reasonable opportunity for the member to affirmatively consent, or opt in, to the service.

We will require that the member opts in for these fees, and we will use the model form from the regulation for this purpose (see Appendix A).

## **Written Confirmation**

We will provide written, or if the member agrees, electronic, segregated from all other information, confirmation to the Credit Union member of his or her consent to the Credit Union's overdraft service and fees by providing a copy of the member's completed opt-in form, or by sending a letter or notice to the member acknowledging that the member has elected to opt in to the Credit Union's service. The written confirmation notice must include a statement informing the member of his or her right to revoke the opt-in at any time.

The board directs management to implement procedures to ensure that if the member does not opt in for the fees or revokes his or her consent, that we do not allow ATM or one-time debit card transactions on that account that will result in an overdraft. If we fail to do so and an overdraft is allowed, then we will not charge a fee for the overdraft.

## **Joint Accounts**

If two or more members jointly hold an account, we may treat the affirmative consent of any of the joint members as affirmative consent for that account. Similarly, we must treat a revocation of affirmative consent by any of the joint members as revocation of consent for that account.

## **Conditioning Payment of Other Overdrafts on Customer's Affirmative Consent**

Although a member need not opt in for fees on overdrafts caused by checks, ACH transactions, and so forth, we may not condition the payment of these overdraft items or refuse to pay them based solely on whether or not the customer opts in to fees for overdrafts for ATM and one-time debit card transactions.

## **Account Terms, Features, and Conditions Provided**

We will provide the same account terms, conditions, and features to members who do not consent to fees for overdrafts created by ATM and one-time debit card transactions as those who do consent. For example, we will not vary terms based solely on whether the member has opted in to the Credit Union's program.

We may offer deposit products with limited features as long as members are not required to open a limited features account because they did not consent to fees for overdrafts caused by ATM or one-time debit card transactions.

## **GIFT CARDS/CERTIFICATES**

A general-use prepaid card means a card, code, or other device that is:

- Issued on a prepaid basis primarily for personal, family, or household purposes to a consumer in a specified amount, whether or not that amount may be increased or reloaded, in exchange for payment.
- Redeemable upon presentation at multiple, unaffiliated merchants for goods or services, or usable at automated teller machines (ATMs).

A loyalty, award, or promotional gift card means a card, code, or other device that:

- Is issued on a prepaid basis primarily for personal, family, or household purposes to a consumer in connection with a loyalty, award, or promotional program.

- Is redeemable upon presentation at one or more merchants for goods or services, or usable at ATMs.
- Sets forth the following disclosures, as applicable:
  - A statement indicating that the card, code, or other device is issued for loyalty, award, or promotional purposes, which must be included on the front of the card, code, or other device;
  - The expiration date for the underlying funds, which must be included on the front of the card, code, or other device;
  - The amount of any fees that may be imposed in connection with the card, code, or other device, and the conditions under which they may be imposed, which must be provided on or with the card, code, or other device; and
  - A toll-free telephone number and, if one is maintained, a Web site, that a consumer may use to obtain fee information, which must be included on the card, code, or other device.

The terms “gift certificate,” “store gift card,” and “general-use prepaid card” do not include any card, code, or other device that is:

- Useable solely for telephone services;
- Reloadable and not marketed or labeled as a gift card or gift certificate (for purposes of this paragraph, the term “reloadable” includes a temporary non-reloadable card issued solely in connection with a reloadable card, codes, or other device);
- A loyalty, award, or promotional gift card;
- Not marketed to the general public;
- Issued in paper form only; or
- Redeemable solely for admission to events or venues at a particular location or group of affiliated locations, or to obtain goods or services in conjunction with admission to such events or venues, at the event or venue or at specific locations affiliated with and in geographic proximity to the event or venue.

If we sell gift cards or certificates we will ensure that they include the appropriate disclosures that are clear and conspicuous. In general, these disclosures must be provided to the member in written or electronic form. Most, but not all, disclosures must be made in a retainable form and some may be given orally. Management is directed to ensure that we have procedures in place to provide the appropriate disclosures.

If we issue gift cards or certificates, we may not impose a dormancy, inactivity, or service fee unless:

- There has been no activity with respect to the certificate or card, in the one-year period ending on the date on which the fee is imposed;
- The following are stated, as applicable, clearly and conspicuously on the gift certificate, store gift card, or general-use prepaid card:

- The amount of any dormancy, inactivity, or service fee that may be charged;
- How often such fee may be assessed; and
- That such fee may be assessed for inactivity; and
- Not more than one dormancy, inactivity, or service fee is imposed in any given calendar month.

We will not sell or issue a gift certificate, store gift card, or general-use prepaid card with an expiration date, unless:

- We have established policies and procedures to provide members with a reasonable opportunity to purchase a certificate or card with at least five years remaining until the certificate or card expiration date;
- The expiration date for the underlying funds is at least the later of:
  - Five years after the date the gift certificate was initially issued, or the date on which funds were last loaded to a store gift card or general-use prepaid card; or
  - The certificate or card expiration date, if any;
- The following disclosures are provided on the certificate or card, as applicable:
  - The expiration date for the underlying funds or, if the underlying funds do not expire, that fact;
  - A toll-free telephone number and, if one is maintained, a Web site that a member may use to obtain a replacement certificate or card after the certificate or card expires if the underlying funds may be available; and
  - Except where a non-reloadable certificate or card bears an expiration date that is at least seven years from the date of manufacture, a statement, disclosed with equal prominence and in close proximity to the certificate or card expiration date, that:
    - The certificate or card expires, but the underlying funds either do not expire or expire later than the certificate or card; and
    - The member may contact the issuer for a replacement card; and
- No fee or charge is imposed on the cardholder for replacing the gift certificate, store gift card, or general-use prepaid card or for providing the certificate or cardholder with the remaining balance in some other manner prior to the funds expiration date, unless such certificate or card has been lost or stolen.

### **Additional Disclosure Requirements for Gift Certificates or Cards**

The following disclosures must be provided in connection with a gift certificate, store gift card, or general-use prepaid card, as applicable:

- *Fee disclosures.* For each type of fee that may be imposed in connection with the certificate or card (other than a dormancy, inactivity, or service fee subject to the disclosure requirements stated above), the following information must be provided on or with the certificate or card:

- The type of fee;
  - The amount of the fee (or an explanation of how the fee will be determined); and
  - The conditions under which the fee may be imposed.
- *Telephone number for fee information.* A toll-free telephone number and, if one is maintained, a Web site, that a consumer may use to obtain information about fees must be disclosed on the certificate or card.

## **PERIODIC STATEMENTS**

The Credit Union will provide each member with a periodic monthly statement for each account accessed by means of an EFT. Members may elect to receive these statements either by mail, online, or in person at the Credit Union. For those members who elect the latter option, it is not necessary for the Credit Union to keep the member's physical statements on file, but the Credit Union will be able to generate copies of the statements when requested. Periodic statements, which may include information regarding transactions other than EFTs, will disclose:

- The amount involved and the date the transfer is initiated, the type of transfer, the identity of the member's account with the Credit Union, the identity of any third party to whom or from whom funds are transferred, and the location or identification of the electronic terminal involved;
- The amount of any fee or charge assessed by the Credit Union during the covered period for EFTs;
- The balances in the member's account at the beginning and close of the statement period; and
- The address and telephone number to be used to ask about a statement or report an error.

### **Periodic Statements for Payroll Cards**

The Credit Union may use an alternative to regularly providing paper periodic statement for payroll card accounts. Instead of providing paper periodic statements, we may make available to the member:

- the member's balance information through a readily available telephone line;
- an electronic history (such as through a Web site) of the member's account transactions covering at least a period of 60 days preceding the date the member electronically accesses the account; and
- promptly in response to an oral or written request from the member, a written history of the member's account transactions covering at least a period of 60 days prior to the date the Credit Union receives the member's request.

The history of account transactions provided electronically or upon request must set forth the same type of information required to be provided on paper periodic statements, including information about any fees for EFTs imposed during the period in connection with the payroll card account.

## **CHANGE IN TERMS NOTICE**

We will mail or deliver a written change in terms notice to the member, 21 days before the effective date, of any change in a term or condition that we disclosed initially, if the change would result in:

- Increased fees for the member;
- Increased liability for the member;
- Fewer types of available EFTs; or
- Stricter limitations on the frequency or dollar amount of transfers.

We may not give prior notice if an immediate change in terms or conditions is necessary to maintain or restore the security of an account or an electronic fund transfer system. If we make such a change permanent and any disclosure would not jeopardize the security of the account or system, we will notify the member in writing on or with the next regularly scheduled periodic statement or within 30 days of making the change permanent.

## **ERROR RESOLUTION DISCLOSURE AND PROCEDURES**

As a part of the initial disclosure the member will be informed of the measures to be taken to resolve errors to the account as a result of:

- An unauthorized transfer made by someone who has no authority to transfer funds from the account;
- A transfer that is omitted when the electronic system malfunctions;
- A computer or bookkeeping error;
- An ATM dispenses an incorrect amount of money;
- A failure to identify an EFT on a receipt, notice, or statement required by the regulation; and
- A member request for additional information or clarification concerning an EFT.

The Credit Union will also provide either a complete error resolution notice annually to each member with an account subject to the rule or will provide a short-form error resolution notice with each periodic statement.

In general, if we receive an error notice in writing from our member, we will investigate and determine whether an error occurred within 10 business days of receiving a notice of error. We will report results to the member within three business days after completing our investigation and correct the error within one business day after determining that an error occurred.

If we are unable to complete our investigation within 10 business days (20 days for if the notice of error involving an EFT to or from the account within 30 days after the first deposit was made to the account), we may take up to 45 days from receipt of a notice of error to investigate and determine whether an error occurred. However, in order to extend the investigation period we must provisionally credit the member's account in the amount of the alleged error (including interest where applicable) and allow the member full use of the funds during our investigation.

We may take up to 90 days to investigate an error involving an EFT that:

- Was not initiated within a state;
- Resulted from a point-of-sale debit card transaction; or
- Occurred within 30 days after the first deposit was made to the account..

## **MEMBER LIABILITY FOR UNAUTHORIZED TRANSACTIONS**

We may hold our member liable for an unauthorized EFT involving the member's account as long as we have provided accurate disclosures and the member has given us timely notice. Notice is considered timely if the member tells us within two business days after learning of the loss or theft of the access device. A member must report an unauthorized EFT that appears on a periodic statement within 60 days of the Credit Union's transmittal of the statement to avoid liability for subsequent transfers. If the member fails to do so, and we establish that the unauthorized EFT would not have occurred had the member notified us within the 60-day period, the member'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 Credit Union. If timely notice is given, the member's liability shall not exceed the lesser of \$50 or the amount of unauthorized transfers that occur before notice to the Credit Union.

If state law or an agreement between the member and the Credit Union imposes less liability than is provided by this section, the member's liability shall not exceed the amount imposed under the state law or agreement. For example, if we offer a co-branded debit card with VISA or MasterCard, then the member will have no liability for unauthorized transactions unless we suspect the report is fraudulent.

## **REMITTANCE TRANSFERS**

If our Credit Union offers remittance transfers, we will comply with Subpart B, of Regulation E.

In general, the term "remittance transfer" is used to describe consumer-to-consumer transfers of funds, of low monetary value, sent by a remittance transfer provider (also known as "money transmitters"). The term applies regardless of whether the sender holds an account with the remittance transfer provider, and regardless of whether the transaction is also an EFT.

In addition to using money transmitters, consumers can transfer funds to recipients in foreign countries through depository institutions by wire transfer or automated clearinghouse (ACH) transactions.

Furthermore, consumers in the United States may transfer funds to businesses as well as to individuals in foreign countries, for instance to pay bills, tuition, or other expenses. The Dodd-Frank Act defines "remittance transfer" broadly to include most electronic transfers of funds sent by consumers in the United States to recipients in other countries.

In the United States, remittance transfers sent by "money transmitters" and depository institutions are generally subject to federal anti-money laundering laws and restrictions on transfers to or from certain persons. Money transmitters are also subject to state licensing and (in some cases) state regulatory regimes. However, consumer protections for remittance and other funds transfers vary widely at the state level, and international money transfers fall largely outside the scope of existing federal consumer protections, like Regulation E.

[NOTE: your credit union is not subject to this Subpart B of Regulation E if you do not provide remittance transfers for a consumer in the normal course of business. You are not doing so if your credit union:

- Provided 100 or fewer remittance transfers in the previous calendar year; and
- Provides 100 or fewer remittance transfers in the current calendar year.

If your credit union provided 100 or fewer remittance transfers in the previous calendar year and provides more than 100 remittance transfers in the current calendar year, and if your credit union is then providing remittance transfers for a consumer in the normal course of its business, your credit union has a reasonable period of time not to exceed 6 months, to begin complying with subpart B of Regulation E. Compliance with subpart B will not be required for any remittance transfers for which payment is made during that reasonable period of time.]

### **Coverage**

- More than \$15;
- Made by a consumer in the United States; and
- Sent to a person or company in a foreign country.

Examples of transfers that are and are not remittance transfers are as follow:

*Examples of remittance transfers include:*

- Transfers where the sender provides cash or another method of payment to a money transmitter or financial institution and requests that funds be sent to a specified location or account in a foreign country.
- Consumer wire transfers, where a financial institution executes a payment order upon a sender's request to wire money from the sender's account to a designated recipient.
- An addition of funds to a prepaid card by a participant in a prepaid card program, such as a prepaid card issuer or its agent, that is directly engaged with the sender to add these funds where the prepaid card is sent or was previously sent by a participant in the prepaid card program to a person in a foreign country, even if a person located in a state (including a sender) retains the ability to withdraw such funds.
- International ACH transactions sent by the sender's financial institution at the sender's request.
- Online bill payments and other electronic transfers that a sender schedules in advance, including preauthorized remittance transfers, made by the sender's financial institution at the sender's request to a designated recipient.

*Transfers that are not covered are:*

- A consumer's provision of a debit, credit or prepaid card, directly to a foreign merchant as payment for goods or services because the issuer is not directly engaged with the sender to send an electronic transfer of funds to the foreign merchant when the issuer provides payment to the merchant.

- A consumer's deposit of funds to a checking or savings account located in a state, because there has not been a transfer of funds to a designated recipient.
- Online bill payments and other electronic transfers that senders can schedule in advance, including preauthorized transfers, made through the website of a merchant located in a foreign country and via direct provision of a checking account, credit card, debit card or prepaid card number to the merchant, because the financial institution is not directly engaged with the sender to send an electronic transfer of funds to the foreign merchant when the institution provides payment to the merchant.

## Disclosures

We will provide a disclosure to a consumer before the consumer pays for a remittance transfer. The disclosure must be in writing and may be given electronically if the sender requests it. The disclosure may also be given orally in telephone transactions.

The pre-payment disclosure must list:

- The exchange rate;
- Fees and taxes collected by the companies using the terms "transfer fees and transfer taxes;"
- Third party fees charged by the companies' agents abroad and intermediary institutions labeled as "other fees;"
- The amount of money expected to be delivered abroad, not including certain fees charged to the recipient or foreign taxes, labeled as "total to recipient;" and
- If appropriate, a disclaimer that other non-covered third-party fees and foreign taxes may apply.

The following are examples of covered third-party fees:

- Fees imposed on a remittance transfer by intermediary institutions in connection with a wire transfer (sometimes referred to as "lifting fees"); and
- Fees imposed on a remittance transfer by an agent of the provider at pick-up for receiving the transfer.

The term "non-covered third party fees" means any fees imposed by the designated recipient's institution for receiving a remittance transfer into an account, except if the institution acts as an agent of the remittance transfer provider.

We must also provide a receipt or proof of payment that repeats the information in the first disclosure. The receipt must also tell consumers the date when the money will arrive. We must provide the disclosure in English and in some cases other languages, for example, if we advertise, solicit, or market remittance transfer services, either orally, in writing, or electronically, at the office in which a sender conducts a transaction or asserts an error in another language.

Under certain circumstances we may provide estimates. For example, when a sender schedules a one-time transfer or the first in a series of pre-authorized remittance transfers five or more business days before the date of transfer, the final rule permits remittance transfer providers to estimate certain information in the pre-payment disclosure and the receipt provided when payment is made.

If we provide disclosures with estimates under this exception, we will also give the sender an additional receipt with accurate figures, generally no later than one business day after the date on which the transfer is made.

For pre-authorized transfers we need not send a disclosure for each subsequent transfer, but we will send a receipt in a reasonable time before the transfer if any information changed from what we originally disclosed. This receipt may also contain estimates.

If estimates are provided or no update is necessary, then we may send an accurate receipt after the transfer is made.

We must disclose the date of transfer in the receipt provided when payment is made with respect to remittance transfers scheduled at least three business days before the date of the transfer and the initial transfer in a series of preauthorized transfers.

We must also disclose a transfer date on any subsequent receipts provided with respect to that transfer and any subsequent preauthorized transfers so that the sender can identify the transfer to which the receipt pertains, and, when received prior to the date of the transfer, generally calculate the date on which the right to cancel will expire.

For subsequent preauthorized remittance transfers for which the date of transfer is four or fewer business days after payment is made for the transfer, we will disclose future dates in the receipt provided for the first transfer in the series.

We may describe on a receipt both the three-business-day and 30-minute cancellation periods and either describe the transfers to which each deadline applies, or use a checkbox or other method to designate which cancellation period is applicable to the transfer.

Appendix A of Regulation E (12 CFR 1005) contains twelve new model forms that we may use for prepayment disclosures, error resolution disclosures, and cancellation disclosures.

### **Sender's Right of Cancellation and Refund**

The board directs management to implement procedures to ensure that we respond in accordance with the requirements of 12 CFR 1005.34 with respect to any oral or written request to cancel a remittance transfer from the sender no later than 30 minutes after the sender makes payment in connection with the remittance transfer in the following circumstances:

- The request to cancel enables the Credit Union to identify the sender's name and address or telephone number and the particular transfer to be cancelled; and
- The transferred funds have not been picked up by the designed recipient or deposited into an account of the designated recipient.

We will refund, at no additional cost to the sender, the total amount of funds provided by the sender in connection with a remittance transfer, including any fees and, to the extent not prohibited by law, taxes imposed in connection with the remittance transfer, within three business days of receiving a sender's request to cancel the remittance transfer.

### **ERROR RESOLUTION PROCEDURES FOR REMITTANCE TRANSFERS**

Other than transactions subject to Regulation Z (12 CFR 1026), we will implement procedures to respond to notices of unauthorized remittance transfers.

In accordance with 12 CFR 1005.33, the board directs management to develop and maintain written policies and procedures that are designed to ensure compliance with error resolution requirements applicable to remittance transfer under this section.

Definition of an error:

- An incorrect amount paid by a sender in connection with a remittance transfer;
- A computational or bookkeeping error made by the remittance transfer provider relating to a remittance transfer;
- The failure to make available to a designated recipient the amount of currency stated in the disclosure provided or for the remittance transfer, unless:
  - The disclosure stated an estimate of the amount to be received and the difference results from application of the actual exchange rate, fees, and taxes, rather than any estimated amounts; or
  - The failure resulted from extraordinary circumstances outside the remittance transfer provider's control that could not have been reasonably anticipated;
- The failure to make funds available to a designated recipient by the date of availability stated in the disclosure for the remittance transfer, unless the failure to make the funds available resulted from
  - Extraordinary circumstances outside the remittance transfer provider's control that could not have been reasonably anticipated;
  - Delays related to the remittance transfer provider's fraud screening procedures or in accordance with the Bank Secrecy Act, Office of Foreign Assets Control requirements, or similar laws or requirements; or
  - The remittance transfer being made with fraudulent intent by the sender or any person acting in concert with the sender;
- The sender's request for documentation or for additional information or clarification concerning a remittance transfer, including a request a sender makes to determine whether an error exists.

The term error does not include:

- An inquiry about the status of a remittance transfer, except where the funds from the transfer were not made available to a designated recipient by the disclosed date of:
  - A request for information for tax or other recordkeeping purposes;
  - A change requested by the designated recipient; or
  - A change in the amount or type of currency received by the designated recipient from the amount or type of currency stated in the disclosure provided to the sender or if the remittance transfer provider relied on information provided by the sender in making such disclosure.

## **TIMING AND CONTENT REQUIREMENTS**

We will comply with the error resolutions procedures in Subpart B of Regulation E when we receive an oral or written notice of error no later than 180 days after the disclosed date of availability of the remittance transfer and we are able to identify the following pieces of information:

- The sender's name and telephone number or address;
- The recipient's name, and if known, the telephone number or address of the recipient;
- The remittance transfer to which the notice of error applies; and
- The reason why the sender believes an error exists and includes to the extent possible the type, date, and amount of the error, except for requests for documentation and additional information.

### **Requests for Documentation or Clarification**

When a notice of error is based on documentation, additional information, or clarification that the sender previously requested, the consumer's notice of error is timely if we receive it the later of 180 days after the disclosed date of availability of the remittance transfer or 60 days after we sent the documentation, information, or clarification that had been requested.

### **Time Limits and Extent of Investigation**

We will promptly conduct an investigation to determine whether an error occurred within 90 days of receiving a notice of error. We will report the results to the sender, including notice of any remedies available for correcting any error, within three business days after completing our investigation.

If we determine an error occurred, we will correct the error as designated by the sender within one business day of, or as soon as reasonably practicable after, receiving the sender's instructions regarding the appropriate remedy. We will, as appropriate, either:

- Refund the amount of funds provided by the sender in connection with a remittance transfer which was not properly transmitted, or the amount appropriate to resolve the error; or
- Send the original amount as requested by the sender.

If the error resulted because the recipient didn't receive the amount by the date initially disclosed, then we will do one of the following as applicable:

- Refund to the sender the amount of funds which was not properly transmitted, or the amount appropriate to resolve the error;
- Make available to the designated recipient the amount appropriate to resolve the error, without any additional cost to either party; or
- Refund any fees to the sender and, to the extent not prohibited by law, taxes imposed for the remittance transfer, unless the sender provided incorrect or insufficient information to the Credit Union in connection with the remittance transfer.

In the case of a request for additional information, we will comply by providing the requested documentation, information, or clarification.

### **Procedures if Remittance Transfer Provider Determines No Error or Different Error Occurred**

In addition to following the procedures specified above, if we determine that no error or a different error occurred, we will:

- Send a written explanation of our findings and note the sender's right to request the documentation on which we relied in making our determination. The explanation shall also address the specific complaint of the sender.
- Promptly provide copies of the documents on which we relied in making our error determination.

If we have fully complied with the requirements of 12 CFR 1005.33 and the sender still believes an error occurred, we have no further responsibilities under the regulation.

Appendix A of Regulation E (12 CFR 1005) contains twelve new model forms that management may use to provide the Credit Union with a safe harbor for content of the pre-payment disclosures, error resolution disclosures, and cancellation disclosures.

### **REVIEW**

The compliance officer will review this policy on an annual basis and recommend to the board of directors any changes in policy deemed necessary to comply with new revisions to the regulation implementing the Electronic Fund Transfer Act (EFTA), or when it is felt that the policy should be strengthened or broadened.

### **RECORD RETENTION**

Records showing compliance with all EFTA requirements will be retained for a period of not less than two years from the date disclosures are required to be made or action is required to be taken.

The board of directors approved and adopted this policy on \_\_\_\_\_.

## APPENDIX A

### A-9 Model Consent Form for Overdraft Services § 1005.17

#### What You Need to Know About Overdrafts and Overdraft Fees

[Click here to view.](#)