

Regulation E Error Resolution Timing

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One of the most challenging things about resolving consumer electronic fund transfers (EFTs) is complying with all of the deadlines!

Our quick reference guide will help you stay on track for the traditional EFTs covered in Subpart A. This chart does not address payroll card accounts

or remittance transfers. We included the citations to facilitate your detailed review of the regulation and official staff commentary.

Regulation E EFT Error Resolution Activity	Reg E Citation	Traditional EFT Subpart A
Bank initial disclosure of potential consumer liability and consumer's error resolution rights	§1005.7(a)	Disclose by time consumer contracts for EFT or before first EFT to account
Bank disclosure of error resolution notice and consumer responsibility based on promptness with which consumer notifies bank of EFT error	§1005.8(b)	Annually in long form or short form with each periodic notice
Bank responsibility to send periodic statement including transaction data, account number, fees, account balances, address and phone number for inquiries, phone number for preauthorized transfers	§1005.9(b)	Statement for each monthly cycle in which EFT occurred and at least quarterly if no EFT occurred in interim period
Timely oral or written consumer notice to bank regarding lost or stolen access device and the existence of potential EFT errors	§1005.6(b) & §1005.11(b)	Within 2 business days of learning of the loss or theft of the access device
Timely oral or written consumer notice to bank regarding potential EFT errors on periodic statements* with enough info for bank to identify the customer, EFT in question, and specific account	§1005.11(b)	Within 60 calendar days after transmittal of statement including first alleged error
Impact to consumer's liability if consumer is late in notifying the bank of alleged error involving loss or theft of access device; additional increase in consumer liability if bank not promptly notified after transmittal of periodic statements containing alleged error	§1005.6(b)	Liability limited to \$50 if bank notified by 2nd business day after learning of loss or theft; increases up to \$500 if bank notified after 2nd business day after learning of loss or theft of device; increases to 100% of all errors occurring after 60 calendar days following statement sent including first error if bank notified after 60 calendar days.
Error resolution time period for all EFT errors in accounts and initial time period for provisional credit if investigation is not complete in 10 business days	§1005.11(c)(1)	Within 10 business days of receiving notice of error upon bank's request for written report
Extended investigation period and deadline for provisional credit period for new accounts	§1005.11(c)(3)	Within 20 business days of oral or written notice of error
Extended error resolution time period for domestic ATM and ACH transactions	§1005.11(c)(2)	Up to 45 calendar days after receipt of oral or written notice
Extended error resolution time period for EFTs initiated outside a US state, all POS debit card transactions, and EFTs occurring within 30 calendar days after first deposit to new account	§1005.11(c)(3)	Up to 90 calendar days after receipt of oral or written notice
Provisional credit due (including interest) if error unresolved within 10 business day resolution period and consumer confirms error in writing. If provisionally crediting, bank must give consumer full use of provisional funds during investigation.	§1005.11(c)(2)(i)	Within 10 business days of receiving consumer's initial error notice; inform consumer within 2 business days after provisionally credited.
Bank must notify consumer orally or in writing if investigation results confirm consumer's alleged error	§1005.11(c)(1)	Within 3 business days of investigation's completion
Bank must correct any confirmed errors promptly upon completion of the investigation (including interest and fees)	§1005.11(c)(1)	Within 1 business day after determining error occurred
Bank must notify consumer <u>only</u> in writing if investigation confirms there was an error in a different amount or no error, and notify consumer of right to request investigation documentation	§1005.11(d)(1)	Within 3 business days of investigation's completion
Bank must notify consumer after debiting provisional credit it will honor third party debits with no fee for 5 business days after notice	§1005.11(d)(2)	Within 3 business days after completing investigation
If consumer later reasserts the same error and the bank has fully complied with applicable error resolution requirements	§1005.11(e)	Bank has no more responsibility if compliant error resolution process
Bank's option to concur with consumer and correct without investigation in the amount alleged by the consumer	Commentary §1005.11(c)-4	Must comply with all other §1005.11 applicable timing requirements

* When a notice of error is based on documentation or clarification the consumer requested, the consumer's notice to the bank is timely if received no later than 60 calendar days after the bank sends requested information.