

Pitney Bowes Employees Federal Credit Union
Electronic Funds Transfer Act Policy
Effective March 1, 2024

I. **PURPOSE:** The Electronic Fund Transfer Act (EFTA) was promulgated in November of 1978 and was effectuated by Regulation E which became effective in May 1980. This law and implementing regulation were intended to protect the rights of individuals with regard to transfers of funds involving automatic teller machines (ATMs), point of sale terminals (POSs) and preauthorized transfers to and from members' credit union accounts. Regulation E requires that financial institutions make disclosures to their members about their policies relating to electronic fund transfers, any limitations on the transfers, fees charged for making a transfer, the error resolution process and potential liabilities of the member as well as the Credit Union. Regulation E was revised effective January 19, 2010, with a mandatory compliance date of July 1, 2010, to prohibit assessing overdraft fees for paying automated teller machine and one-time debit card transactions that overdraft a consumer's account unless opt-in requirements have been met and affirmative consent has been obtained.

II. **DEBIT CARDS; OWNERSHIP OF AUTOMATIC TELLER MACHINES; AND PREAUTHORIZED TRANSFERS:** The terms and conditions of electronic fund transfers involving a consumer's account must be disclosed at the time the consumer contracts for the electronic fund transfer service in a form in compliance with the Federal Reserve Board's Regulation E and in readily understandable language. Documentation of the transfers, notice of credit and periodic statements requirements must be met. Written authorization, or similar authentication, is required to institute any third party transfer from a member's account.

When applicable, stop payment orders, both oral and written, will be accepted from members of the Credit Union and honored if given at least three (3) business days prior to the transfer. Oral stop payment orders must be confirmed in writing within fourteen (14) days and the member issuing an oral order shall be notified of this fact by the Credit Union employee receiving the stop payment order, along with the Credit Union's address to which the confirmation should be sent. The Credit Union will keep a log of all such orders as well as all reported errors which will include the date received, the type of error alleged, the resolution of the error and the date of resolution.

All errors will be resolved and any necessary adjustments made to the member's account within ten (10) business days from the date of receipt of the member's notice. The results of the investigation will be transmitted to the member within three (3) business days after the investigation is concluded. The Credit Union may extend the ten (10) business day time limit to 45 calendar days from receipt of the notice if the following conditions are met (the Credit Union may extend the 10 and 45 day time periods to 20 and 90 days, respectively, as permitted in the Electronic Fund Transfer Audit Procedures):

- A. The member's account is provisionally recredited with the disputed amount, including interest, if applicable, within ten (10) business days of receipt of notice from the member;
- B. The member is given full use of the funds during the investigation;
- C. The member is notified, orally or in writing, within two (2) business days after giving provisional credit, of the amount and date of the recrediting and of the fact that the member has full use of the funds during the investigation; and
- D. If no error occurred and the Credit Union redebits any provisional credit given, the member is notified of the debiting and that all incoming checks and debits, which would have been honored had the provisionally recredited funds not been debited, will be paid for five (5) business days from the transmittal of the notice and continues to honor all of the incoming checks or debits for five (5) business days in accordance with the notice to the member.

The Credit Union may require that written confirmation of an oral notice of error be received within 10

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business days of the oral notice. If required, the member will be advised of this requirement and of the address to which confirmation must be sent at the time the oral notice is given.

III. RECORD RETENTION: The Credit Union will retain all documentation relating to electronic fund transfers for at least two (2) years, or longer if instructed to do so by the federal regulators. The Credit Union will also retain, until final disposition, records relating to any action filed under the Electronic Fund Transfer Act.

IV. OVERDRAFTS: This Credit Union will comply with the Federal Reserve's final rule to amend Regulation E effective January 19, 2010, with mandatory compliance required by July 1, 2010, which prohibits assessing an overdraft fee for paying automated teller machine ("ATM") and one-time debit card transactions that overdraw a consumers account unless the opt-in requirements have been met and the member's affirmative consent has been obtained.

Currently, this Credit Union does not pay any ATM or one-time debit card transactions without sufficient funds in the account and, therefore, does not require an opt-in process at this time.