

ELECTRONIC FUNDS TRANSFERS (EXCERPT)
Act 322 of 1978

488.19 Written agreement of terms and conditions governing account; time; contents.

Sec. 19.

A customer of a financial institution whose account with the financial institution is accessible through a funds transfer facility shall be provided with a written agreement by the financial institution of the terms and conditions governing the account. The agreement shall be provided at the time that the customer is issued a card or other means affording access to the funds transfer facility. The agreement shall state the following material facts:

(a) An explanation of the financial institution's liability for unauthorized use of the account and notice that the customer may be held liable for any resulting unauthorized use before the time the customer notifies the financial institution that his or her personal identification number has been compromised, if the customer does any of the following:

- (i) Writes the personal identification number on the card.
 - (ii) Keeps the personal identification number with the card.
 - (iii) Voluntarily permits the account accessing device, including the personal identification number and the card to come into the possession of a person who makes or causes to be made an unauthorized use.
- (b) The customer's right to receipts and statements affecting the account pursuant to sections 17 and 18, and that the receipt or statement is admissible evidence.

(c) An initial disclosure of the specific transactions which may be performed through the funds transfer facility by the customer.

(d) Any charges to the customer for account maintenance or for the use of the funds transfer facility and the method for determining charges.

(e) Any limitation imposed on the number of electronic fund transfer services permitted within a given period of time, and identification of the account or accounts to be accessed.

(f) The minimum balance, if any, which must be maintained by the customer in an account with a user financial institution as a condition for engaging in transactions in the account through a funds transfer facility.

(g) The right of the customer to seek correction of any statement errors by notifying the financial institution orally or in writing within 60 days after receipt of a statement containing an error; the financial institution's responsibility to respond to that notification within 10 business days after notification by either provisionally correcting the account or providing a written explanation stating the reason the financial institution believes the statement is correct; and explanation that provisional correction allows the financial institution to charge the correction back to the customer's account for up to 60 days; and the definition of error.

(h) The name and address of the governmental regulatory authority which can be notified if the financial institution violates this act.

History: 1978, Act 322, Eff. Jan. 1, 1979