

COMMISSIONER OF BANKING

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functions and locations that such institution elects to make available to its customers.

(3) **TECHNICAL INFORMATION AND SPECIFICATIONS.** Each supplier provides at reasonable cost such technical information and specifications as may be necessary to enable a financial institution that is eligible to use the terminal, or any data processor serving the accounts of such an institution, to obtain interface with the terminal.

(4) **OTHER REQUIREMENTS.** No financial institution eligible to use the terminal is required to purchase from any supplier any goods, equipment or services not reasonably necessary to complete a transaction through the terminal.

History: Cr. Register, November, 1976, No. 251, eff. 12-1-76.

**Bkg 14.06 Confidentiality and security requirements.** No bank may directly or indirectly acquire, place or operate a customer bank communications terminal, and no bank may participate in the acquisition, placement or operation of a customer bank communications terminal, unless precautions acceptable to the commissioner are provided to:

(1) **PRECAUTIONS AGAINST UNAUTHORIZED ACCESS.** Prevent unauthorized access to, or use of, the terminal.

(2) **PRECAUTIONS TO ASSURE CONFIDENTIALITY.** Prevent information regarding a transaction conducted through the terminal from being disclosed to any person other than:

(a) The customer making the transaction;

(b) Any other person who is a party to the transaction or is necessary to effect the transaction, but only to the extent that the information disclosed is necessary to effect the transaction;

(c) Those persons lawfully authorized to have access to the records of the bank or of parties to the transaction.

(3) **UNSOLICITED ACCESS TO CUSTOMER BANK COMMUNICATIONS TERMINAL PROHIBITED.** Ensure that the plastic card or other means providing its customers access to the terminal is issued only:

(a) In response to a request or application therefor; or

(b) As a renewal of, or in substitution for an accepted card or other means of access, whether issued by the initial issuer or a successor.

History: Cr. Register, November, 1976, No. 251, eff. 12-1-76.

**Bkg 14.07 Allocation of liability.** (1) **BETWEEN BANK AND THIRD PARTIES.** Each activity authorized under s. 221.04 (1)(k) of the statutes shall be conducted in accordance with a written agreement between the bank and any participating merchant, service center, data processor or other third party, setting out the manner in which liability from errors, malfunctions or the unauthorized use of a customer bank communications terminal will be allocated between the parties.

(2) **LIMITED CUSTOMER LIABILITY FOR UNAUTHORIZED USE.** (a) The liability of a customer of a bank for the unauthorized use of a plastic card or other means providing the customer access to a customer bank communications terminal may not exceed the lesser of the following:

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(1) \$50.

(2) The amount of any money, property or services obtained by its unauthorized use prior to the time the bank is notified of, or otherwise becomes aware of, circumstances which lead to the belief that unauthorized access to the customer's account may be obtained. Notice is sufficient when the customer takes such steps as may reasonably be required in the ordinary course of business to provide the bank with the pertinent information.

(b) A customer furnishing another person with a plastic card or other means of access to the customer's account through a customer bank communications terminal shall be deemed to authorize all transactions that may be accomplished by that means, until the customer has given actual notice to the bank that further transactions are unauthorized.

History: Cr. Register, November, 1976, No. 251, eff. 12-1-76.

**Bkg 14.08 Customer service and disclosure requirements. (1) PERIODIC STATEMENTS.** A bank shall provide each customer with a periodic statement of each account of the customer accessible through a customer bank communications terminal. The statement shall be provided on a monthly basis for each month in which a transaction occurs, or once every 3 months, whichever is more frequent. The statement shall identify the date, location, and nature of each transaction. An account statement issued under this subsection may include transactions made through a customer bank communications terminal or otherwise.

(2) **TRANSACTION DOCUMENTATION.** Every transfer of funds through a customer bank communications terminal made by a customer of a bank shall be evidenced by a written document provided to the customer at the time of the transaction. The document shall indicate with reasonable specificity the identity of any third party to whom funds are electronically transferred, the identity of the customer's account, the amount of funds transferred, the type of transaction, and the date of the transaction.

(3) **WRITTEN DISCLOSURE OF SERVICES AND CHARGES.** Each customer of a bank whose account with the bank is accessible through a customer bank communications terminal shall be provided with a written statement of the terms and conditions governing the account. Such a statement shall be provided at the time that the customer is issued a card or other means affording access to the customer bank communications terminal, and whenever the terms and conditions governing the account are amended. The statement shall set out:

(a) Applicable limitations on the customer's liability for unauthorized use of the means providing access to the customer bank communications terminal, and the address and telephone number of the person to be notified in the event that the means affording the customer access to the customer bank communications terminal is lost or stolen or the customer otherwise believes that unauthorized access to the account may be obtained.

(b) The customer's right to a periodic statement of transactions affecting the account.

(c) An initial disclosure of the specific transactions which, subject to the capabilities of individual terminals, may be performed through the customer bank communications terminal.

(d) Any charges to the customer for account maintenance or for the use of the customer bank communications terminal.

(e) Any limitation imposed on the number of customer bank communications terminal transactions permitted within any given period of time.

History: Cr. Register, November, 1976, No. 251, eff. 12-1-76.

**Bkg 14.09 Chargebacks.** When available. When any sale of goods or services is paid directly through a terminal and involves an aggregate transfer of funds of \$50 or more from an account of a customer to the account of another person, but does not involve a check or draft, the bank shall reverse the transaction and recredit the customer's account upon receipt of oral or written notice by the customer within 3 business days after the date of the sale. "Business day" means that part of any day on which a bank is open to the public for carrying on substantially all of its business functions.

History: Cr. Register, November, 1976, No. 251, eff. 12-1-76.

**Bkg 14.10 Advertising restrictions.** No advertising with regard to a customer bank communications terminal used by a bank or its customers may suggest exclusive ownership or control of the terminal by any financial institution. If use of a terminal is restricted under s. Bkg 14.04 (2) to designated financial institutions, all advertisements regarding the terminal shall clearly state that use of the terminal will be available to customers of other financial institutions at the end of the period of restricted use authorized by the commissioner.

History: Cr. Register, November, 1976, No. 251, eff. 12-1-76.

**Bkg 14.11 Filing of supplemental information.** Each bank engaging in an activity authorized under s. 221.04 (1)(k), stats., shall file with the commissioner such additional information regarding its activity as the commissioner may from time to time require.

History: Cr. Register, November, 1976, No. 251, eff. 12-1-76.