



FAQ: Heightened Account Monitoring Following a Data Breach Where Account is Not Closed

Why should I closely monitor my bank account statements for fraudulent transactions?

Closely monitoring your bank account activity will allow you to promptly identify and report unauthorized transactions to your bank or credit union, and timely reporting such transactions may affect the extent to which you may be held liable for the unauthorized transactions. If you suspect fraudulent activity contact your bank or credit union to inquire as to what laws or policies might protect you.

Does Federal law limit my liability for certain unauthorized electronic fund transfers from my bank account?

Yes, in certain circumstances the Electronic Funds Transfer Act (EFTA)¹ protects bank and credit union account holders from unauthorized electronic fund transfers such as electronic payment of a creditor's bill from a consumer's checking account,² and typically includes electronic transfers of funds between banks called automated clearinghouse (ACH) transactions.

If I discover unauthorized transactions made from my account, what should I do?

If you discover an unauthorized transaction on your account, you should notify your bank or credit union immediately. Your liability for the unauthorized transactions may depend upon whether you timely report unauthorized transactions to your bank or credit union.

Am I responsible for fraudulent ACH³ and other electronic funds transactions made from my account?

Generally, no, you will not be liable for such fraudulent transactions that occur on or before the 60th day after the transmittal of your statement showing the first unauthorized electronic funds transfer.⁴ If you fail to report the unauthorized fund transfer to your bank or credit union within the 60 day period, you may be liable for subsequent unauthorized transactions that fall after the close of the 60 days. Please note that other rules, and much shorter time periods, apply to situations where an access device, such as a debit card, has been lost or stolen and used to fraudulently make purchases or transfers with your account.⁵

¹ Electronic Funds Transfer Act (15 U.S.C. 1693 et seq.)

² EFTA requirements are implemented by a federal regulation known as Regulation E, 12 CFR Part 1005.

³ Electronic Fund Transfer includes a transfer sent via ACH. See 12 CFR Part 1005.3(b)(1).

⁴ 12 CFR Part 1005.6(b)(3).

⁵ 12 CFR Part 1005.6(b)(1) & (2).