

**ELECTRONIC FUNDS TRANSFERS (EXCERPT)**  
**Act 322 of 1978**

**488.16 Reversal of electronic fund transfer and recrediting customer's account; requirements; "normal business hours" defined.**

Sec. 16. (1) The financial institutions which are parties to an electronic fund transfer shall reverse an electronic fund transfer initiated by a customer to a third party in payment for goods or services and recredit the customer's account for the full amount of the transfer, if all of the following occur:

(a) The customer provides notice to the financial institution of having made a good faith attempt to seek redress and makes an assurance to the financial institution of return to the third party of related goods in dispute where returnable goods are involved. This does not imply that reversability applies only to goods.

(b) The amount of the transaction is \$50.00 or more.

(c) Within 4 calendar days following the transaction, the financial institution receives from the customer during the normal business hours of the financial institution a written or oral request for the reversal.

(d) The customer verifies the reverse order, notice, and assurance in writing within 14 calendar days following oral notification, on a form to be provided by the financial institution for that purpose. If written verification is not furnished, the financial institution shall reinstate the original debits and credits involved in the transaction to the extent of the available account balance.

(2) For the purposes of this section "normal business hours" means that part of any day in which the financial institution is open to the public for carrying on substantially all of its business functions.

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