

REGULATION E AND ACCOUNTS WITH INTERNET ACCESS

American National Bank Fox Cities

What is Regulation E?

Regulation E protects individual customers using electronic funds transfers (EFT). Regulation E does not protect non-consumer accounts.

What is an EFT?

An EFT is any transfer of funds that is initiated through an electronic terminal, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a consumer's account. The term includes but is not limited to:

- Point of sale transfers
- Automated teller machine (ATM) transfers
- Direct deposits or withdrawals of funds
- Transfers initiated by telephone
- Transfers resulting from debit card transactions, whether or not initiated through an electronic terminal; and
- Transfers initiated through internet banking and bill pay.

How does Regulation E apply to a consumer using Online Banking and/or BillPay?

Regulation E is a consumer protection law for accounts such as checking or savings, established primarily for personal, family, or household purposes. Non-consumer accounts, such as Corporation, Trust, Partnerships, LLCs, etc., are excluded from coverage. Regulation E provides consumers a means to notify their financial institution that an EFT has been made to their account without their permission. If you are unsure if Regulation E protects your account, contact us.

What protections are provided to consumers under Regulation E for consumers who use Online Banking and/or BillPay?

If you believe an unauthorized EFT has been made to your account, contact us immediately. If you notify us within two business days after you learn of the unauthorized transaction the most you can lose is \$50. Failure to notify the bank within two business days may result in losses up to \$500.

No liability limit:

Unlimited loss to a consumer account can occur if:

- The periodic statement you receive reflects an unauthorized transfer of money from your account, and
- You don't report the unauthorized transfer to the bank within 60 days after the statement was mailed, and
- The loss could have been avoided if you had given timely notice.

How does Regulation E apply to a non-consumer using Online Banking and/or BillPay?

A non-consumer using Online Banking and/or BillPay is not protected under Regulation E. Because the customer is not protected by Regulation E special consideration should be made by

the customer to review the controls in place to ensure that they are commensurate of the risk level that the customer is willing to accept.

What precautions should a non-consumer take because Regulation E does not protect them?

As a non-consumer customer, you should perform a risk assessment and periodically evaluate the controls you have in place. The risk assessment should be used to determine the risk level associated with any internet activities you perform and any controls in place to mitigate these risks.

Fraud Protection

Bank customers across the country are experiencing an increase in fraud schemes. Scams to obtain customer's personal information occur in a variety of ways such as through the use of unsolicited emails and telephone calls. Here are a few tips to help you protect your personal information from telephone and email scams:

Telephone Security Tips

- Never respond to a phone call or voice mail asking you to provide account information or reactivate a bank service.
- Do not provide your personal information to an unsolicited caller.
- If you receive an email requesting you to call a certain number, do not call the number.
- Remember that American National Bank Fox Cities will never contact you by telephone requesting personal information such as your social security number, credit, debit or ATM card numbers, PIN numbers, passwords, usernames, or account numbers.

Computer Security Tips

- Protect your computer by using anti-virus software and a firewall and keeping them up to date.
- When banking online, always make sure your browser address begins with **https**. Confirm the legitimacy of the site by clicking on the key or closed lock on your browser window.
- Always log off from your online banking session.
- Never respond to an email asking you to provide account information or reactivate a bank service.
- Remember that American National Bank Fox Cities will never contact you by email requesting personal information such as your social security number, credit, debit or ATM card numbers, PIN numbers, passwords, usernames, or account numbers.

Please be aware that legitimate calls from American National Bank Fox Cities are often made and while we may ask for confirmation of certain information, we will never ask for personal information.

If you believe that, you are a victim of fraud or have been the recipient of suspicious communication contact American National Bank Fox Cities immediately at 920-739-1040 or email manager@anbfc.bank.