

TeleCheck Regulation E Resource

What is Regulation E?

Regulation E (Reg E) carries out the purposes of the federal law known as the Electronic Fund Transfer Act. Reg E applies to merchants that conduct electronic check transactions for consumers. The Federal Reserve Board recently amended Reg E, and the new Reg E amendments will require these merchants to provide consumers with certain new disclosures.

The Reg E amendments will affect merchants as follows: (1) new decal language must be posted at the point of sale (POS) in a prominent and conspicuous location that includes both the disclosure for the principle, as well as the exact amount of the return fee and/or a description of how the fee will be calculated; and (2) consumers must be provided a copy of the disclosure language.

What products will be affected by the Regulation E amendments?

All TeleCheck Electronic Check acceptance[®] and TeleCheck PayItSM services are impacted by this change.

How will this affect my customers?

The signage the customers see and the receipt they will sign will have additional language to clarify what takes place in an electronic transaction. Other than new language on the decal and the receipt, it will not affect your business or your interaction with your customers.

When will I receive my new decals?

TeleCheck began mailing the decals in September 2006.

How can I provide to my consumer the language required?

TeleCheck will provide decals for merchants to post at each of their point-of-sale (POS) terminals. In addition, you will be provided EASY 3-STEP SELF-DOWNLOAD INSTRUCTIONS to update your Eclipse terminal application with the Reg E requirements. The download takes less than seven minutes. We will also provide a demo check to run a test transaction to verify that your updates have been completed successfully.

Will this require a terminal update?

Yes, because appropriate language is also required to be printed on the consumer's receipt, TeleCheck will send out self-download instructions for merchants to perform the partial download update. If a merchant experiences a problem in completing the compliance update, or if you do not have an Eclipse terminal, please contact the POS Help Desk at 1-800-366-1054 for downloading assistance.

What signage needs to be updated to be compliant with the Reg E amendments?

All signage/decals at each register must be updated at all merchant locations.

Does the new decal replace the existing decal, or is it in addition to the other TeleCheck decal?

The new decal will replace the existing TeleCheck decals you have posted, and it will need to be in place before January 1, 2007.

Will all of my point-of-sale equipment need to be updated with Regulation E amendment changes?

Yes, all point-of-sale (POS) equipment, including all types of terminals and cash registers that process electronic checks, will need to be updated with Regulation E amendment changes via a partial check download by January 1, 2008.

How long will the terminal download process take?

No more than seven minutes per terminal.

Will credit card processing be affected by the terminal download?

No. Completing the partial download process will not require the credit card programming to be reinstalled.

Do I need to do this?

Yes, this is a change mandated by the Federal Reserve Board.

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When are the deadlines for compliance with the Reg E amendments?

The Federal Reserve Board requires all merchants to update decal signage by January 1, 2007. All terminal updates that include the return fee amount for the disclosures provided to consumers must be updated by January 1, 2008.

What are the penalties if I do not meet the deadlines?

The Federal Trade Commission has the right to enforce all federal laws, including assessing financial penalties and initiating lawsuits, if compliance is not met by the deadlines.

Who will be responsible to ensure the updates have been completed by the merchants?

The merchants will ultimately be responsible to ensure they are in compliance with the Reg E amendments. TeleCheck will provide assistance to help merchants meet the compliance dates of January 1, 2007, and January 1, 2008.

If I have problems with my point-of-sale equipment once Regulation E updates have been completed, who do I contact?

Please contact Merchant Services Customer Service at 1-800-366-1054.

Who do I contact if I have additional questions about Regulation E and the new amendments?

Please contact your assigned First Data or TeleCheck representative. If you do not have an assigned representative, please contact Merchant Services at 1-800-366-1054 for more information.

For more information, call 800-366-1054 to talk with a TeleCheck customer service representative.

