

ATM Card Loss

For publication June 9, 2005:

Our last article discussed limiting liability for lost or stolen credit cards. To limit liability for a lost or stolen ATM card, immediately report the card loss. Then the Electronic Fund Transfer Act (EFTA) bars any liability for unauthorized ATM withdrawals. If the ATM card is used before you report, the limit of your liability depends upon how quickly you report to the card issuer. If you report within two business days you will not be responsible for more than \$50 in unauthorized use. But, if you miss this deadline your liability can increase to \$500. You will have unlimited liability if you don't report unauthorized transfers or withdrawals within 60 days after your bank statement is mailed to you (read your bank statement!). If unauthorized transactions are spotted on your statement, report them to the card issuer promptly. Once you have reported the loss of your ATM card you cannot be held liable for additional amounts, even if more unauthorized transactions occur. For both ATM and credit cards, the best protection you have against fraud is to know where your cards are at all times, and to keep them secure. For ATM cards, keep your Personal Identification Number (PIN) a secret. Statistics show that, in one-third of fraud cases, PINS were written on the ATM cards or on slips of paper kept with the cards.