

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

**488.7 Funds transfer facility on merchant's premises; establishment, ownership, or operation; access to, connection to, or use of facility; reasonable fees; nondiscrimination; additional facilities; equality of fees.**

Sec. 7.

(1) This act shall not be construed or interpreted to prevent a merchant from establishing, owning, or operating 1 or more funds transfer facilities located on its own premises. If a merchant establishes, owns, or operates a funds transfer facility on the merchant's premises and allows access to the facility by a financial institution, group of financial institutions, or their customers for a function or service, this act shall not be construed or interpreted to require the merchant to accept an access or connection to or use of the facility on its premises for any other function, service, or purpose.

(2) This act shall not be construed or interpreted to require a merchant to accept an access or connection to or use of a funds transfer facility on the merchant's premises for a function, service, or purpose that does not access a deposit account of a customer of a financial institution or group of financial institutions.

(3) If a merchant establishes, owns, or operates a funds transfer facility on the merchant's premises and allows access or connection to or use of the facility by a financial institution, group of financial institutions, or their customers for any purpose, service, or function, this act or a law governing the financial institution shall not apply to the merchant other than those sections of this act, other law, or rules directly related to the particular function or service performed by the facility on the merchant's premises for a financial institution or group of financial institutions.

(4) An agreement between a merchant and a financial institution or group of financial institutions for the use of a funds transfer facility shall provide for commercially reasonable fees. The fees shall be negotiated on a fair and equitable basis between each party and the parties shall not conspire to set a fee with the purpose of destroying or preventing competition.

(5) A merchant shall be allowed access to essential funds transfer facilities on a fair and equitable basis that is not unfairly discriminatory and upon an agreement to pay commercially reasonable fees. Fees shall be negotiated on a fair and equitable basis between each party and the parties shall not conspire to set a fee with the purpose of destroying or preventing competition. For the purposes of this section, it shall not be necessary to do any of the following:

- (a) Unreasonably add additional facilities, if existing facilities have reached their effective capacity.
- (b) Have equal transaction fees.
- (c) Have equal initial entry fees.

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