

Automatic Teller Machines (ATMs) and the Law



How can you find out about ATM fees?

When shopping for a place to open an account to which you want to gain access with an ATM, find out the different institutions' terms. This information should be available from bank personnel (not necessarily a teller, but certainly someone behind a desk) as well as in the mandatory disclosure forms provided with each new account. You can also get this information in pamphlets, arranged by **subject, at the front of the lobby.**

What fees are unreasonable?

Any bank that charges you a fee simply for the privilege of having an ATM card should be someone else's bank. There's no reason to pay, either annually or even once, for this service today; anything less than basic ATM privileges at the bank's own machines is simply not competitive.

What fees are reasonable?

A small fee for replacing lost cards is not desirable, but not necessarily unreasonable in itself.

Few banks will allow free ATM use even for their own customers beyond withdrawals and deposits. That means that each time you use the ATM for a balance update or, as is increasingly common, an interim statement of account activity, you are going

to incur a fee of seventy-five cents, a dollar or more. Though the interim accounts can be of some use, activities such as checking your balance are available from many banks by a 24-hour computerized phone line or via the Internet—for free, from the privacy and warmth of your own home and usually toll-free if you're on the road.

Do you have a contract with your ATM issuer?

Yes. When you receive an ATM card from a bank, it comes with a disclosure form, like a credit-card cardholder agreement. This your formal contract with the issuer, and will be important in case of disputes.

How can you safeguard yourself in making ATM deposits?

Banks depend on the information you write on the ATM envelope plus the computerized information that goes along with the envelope. That is why many of these envelopes ask you to write your whole ATM card number on the envelope—in case the envelope and the computerized transaction record don't match up exactly. You don't really have to put down your whole card number, but it isn't a bad idea.

Think twice about depositing cash at your ATM. Remember that your computer-generated "receipt" of an ATM deposit only reflects the information that you input on the ATM keypad. It does not prove that you deposited any amount, only that you were, at the time of the transaction, stating that you were depositing that amount. For this reason, some people never make substantial deposits of cash via ATM, and this is probably a good approach.

Your checks should, besides being endorsed, also contain the notation "For Deposit Only" under the endorsement, ideally with the name of your bank and your account number as well. Be sure to confirm the amount actually posted to your account by your monthly statement or, if your bank has one, its computerized bank-by-phone system

How can you make your ATM transactions secure?

The ready availability of cash through ATM's has obviously not escaped the notice of people who'd like to make your cash readily available to themselves. Most ATM security tips are self-evident.

The best advice is to watch your back. Be careful where and when you go to the ATM. If the ATM you were planning on using is in a risky neighborhood, and that withdrawal can wait for tomorrow morning, perhaps it ought to. If someone seems to be hanging around the ATM with no business to do there, look for another machine.

If you really need the cash tonight, it may be worth it to look for a supermarket or other indoor, secure location where there are ATMs.

How carefully should you guard your PIN?

Very. Your personal identification number (PIN) is the key that unlocks your ATM card. Short of your spouse or your mom, no one should know your PIN. Certainly don't write it down on the card, or anywhere else if you can avoid it. There is absolutely no reason to ever give it to anyone over the telephone. If someone is watching you input your PIN a little too closely, hit the cancel button and finish the transaction later or elsewhere.

Should you save the receipts of each transaction?

Ideally, you should keep them until you reconcile your account balance with the monthly bank statement. The idea is to ensure that the bank got as much of a deposit as you thought you put in, and that it doesn't claim a larger withdrawal than you thought you took out. Bank computer errors are quite rare, but they have happened. Don't count on anyone else to catch them.

But once you have done the reconciliation, there's no reason to keep the slips, which are hard to store and can become quite voluminous. The bank's confirming statement is good enough proof in case a dispute comes up later.

If you don't save them, should you be careful of how you dispose transaction slips?

Yes. Leave ATM slips you don't want to keep at the site only if there is a deep, completely secure place to toss them—ideally, after you've torn them thoroughly. Otherwise take them with you. It's no one's business how much money is in your account, or for that matter that you have "insufficient funds for the requested transaction." And some receipts also contain your account number and other numbers from which clever techno-thieves can "clone" your card.

What happens when you leave your card in the ATM?

To get it back, contact the exact branch or bank whose ATM you used as soon as they open. (Without your PIN the card should not be usable by anyone else, so the delay should not cause a security breach.) Cards left in the machine are eventually pulled back in for retrieval in the morning. But some branches automatically dispose of them, or send them to hopelessly inscrutable central offices, if they aren't claimed promptly.

If the bank doesn't have your card, call the issuer (if different from the bank whose ATM you used) and have it canceled and replaced immediately.

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