



Press Office contact: John Pinniger  
Tel. (direct): 020 7738 6000  
Email: johnpinniger@primeword.com

## PRESS RELEASE

10 April 2006

### **Transparency of cash machine charges: LINK assesses compliance with new rules introduced in 2005**

- **LINK reports result of further independent survey of charging cash machines previously found non-compliant with LINK rules requiring clear warnings of charges**
- **Survey confirms vast majority of machines brought into compliance**
- **Members responsible for cash machines found non-compliant have 10 days to bring into line or disconnect machines**

#### **Survey results**

The LINK ATM Scheme is today publishing the results of a further independent compliance check on cash machines previously found non-compliant with LINK rules on transparency of customer charges.

In February and March, GfK NOP surveyors revisited cash machines found non-compliant with LINK rules in October / November 2005.(1)

LINK rules require all charging cash machines to have at least three warnings of charges: on the outside of the machine, on the idle screen of the machine seen *before* the card is inserted and again before the transaction is completed. In addition, certain larger signs directing customers towards machines must also have warnings of charges.

Although LINK surveys found no charging machines without any warnings of charges, and confirmed that all machines asked the customer to confirm acceptance of the charge before completing the transaction, damages of £250 will be paid for each machine found not to have one or more of the advance warnings in February / March (in addition to the damages already collected for each machine found non-compliant in October / November).

The February / March survey revealed that almost all LINK Members had rectified the instances of non-compliance identified last autumn.

While all LINK Members had made efforts to comply in the vast majority of cases, there were still a few cases of non-compliance. In particular:

- 8 Travelex cash machines were found to be non-compliant
- 2 TRM machines were found to be non-compliant

In a couple of instances there was evidence that signage had been applied but subsequently removed or vandalised.

Edwin Latter, LINK ATM Scheme Director said,

“The LINK ATM Scheme is committed to full transparency of charges at cash machines that surcharge. LINK Members have made considerable effort to bring their cash machines into compliance with the rules introduced by the Scheme in July 2005. LINK will continue to police and enforce compliance with these rules.”

### **Next steps**

Under LINK rules, Members found non-compliant are now obliged to provide evidence of compliance within 10 working days, or will be asked to disconnect the non-compliant machines from the LINK network. In all cases of identified non-compliance, the relevant Members have now provided either evidence that the machine has been brought into compliance or an assurance that they will do so within the required 10 days. Compliance with LINK rules is a condition of continued membership.

LINK will commission further surveys, both randomly sampling all Members, and specifically focusing on areas where non-compliance has been identified.

No evidence has yet been presented to suggest that the multiple warnings currently required by LINK rules are not sufficient to ensure cardholders using charging machines are aware of charges. In parallel with policing and enforcing compliance with its rules, LINK ATM Scheme Members have also committed, however, to a separate independent survey of the effectiveness of these rules which have now been in force for nine months. This survey is currently underway. In the light of evidence collected from that survey, the LINK Scheme will consider how best to develop the rules to ensure the Scheme objective of transparency is achieved.

### **Notes**

(1) Cash machines operated by the following LINK Members were revisited in the February / March survey on account of non-compliance with LINK signage rules identified in October / November 2005 (Figures in brackets are the number of machines revisited in February / March and the approximate size of the Member's total estate of charging cash machines):

Alliance & Leicester (7 – 1,160)  
Bank Machine (8 – 1,060)  
Calypso (6 - 610)  
Cardpoint/Moneybox (14 – 4,440)  
Cashbox (1 - 870)  
Co-operative Bank (5 - 170)  
Infocash (3 - 400)  
Hanco (33 – 7,070)  
Omicash (8 - 625)  
Paypoint (4 – 1,425)  
Scott Tod (22 – 2,120)  
TRM (30 – 3,670)  
Travelex (33 – 1,170)

The LINK network supports both free and charging cash machines. Like the government and Treasury Select Committee, the LINK ATM Scheme considers that charging is a legitimate business model that can increase access to cash and benefit local economies, providing that charges are fully transparent to customers.

Over 96% of cash withdrawals are currently made free of charge. Although over 40% of cash machines are surcharging, less than 4% of cash withdrawals are surcharged.

LINK rules require that:

- all surcharging cash machines must carry a message on the idle screen seen *before* a card is inserted stating that the machine will charge for cash withdrawals, and stating the amount of the charge;
- all surcharging cash machines must carry an external sign saying that the machine will charge for cash withdrawals;
- for all surcharged cash withdrawals, the customer must be asked to confirm acceptance of the specific charge before completing the transaction and must be offered the opportunity to cancel the transaction free of charge;
- signage of A3 size or greater directing customers towards a charging cash machine must warn that the machine will charge for cash withdrawals.

### **Press Enquiries:**

Edwin Latter  
ATM Scheme Director  
LINK Interchange Network Ltd  
Mobile: 07974 326 389  
[elatter@link.co.uk](mailto:elatter@link.co.uk)

Graham Mott  
Head of Development (Schemes)  
LINK Interchange Network Ltd  
Mobile: 07974 326 374  
[gmott@link.co.uk](mailto:gmott@link.co.uk)

John Pinniger  
Primeword Communications  
Tel: 020 7738 6000  
Mobile: 07050 052 934  
[johnpinniger@primeword.com](mailto:johnpinniger@primeword.com)