

Market President Hotmail

Below are talking points and a Q&A to assist with questions from associates, customers or community partners about the upcoming July 31 ATM fee increase for non-customers. Market Presidents may call Jennifer Haag at 314-466-4873 with questions about ATMs or ATM marketing.

All media inquiries should be forwarded to Betty Reiss in Media Relations at 415-622-6397.

Action

Please share this information with your leadership teams.

What will happen

- Starting July 31, Bank of America will increase the charge to non-customers making cash withdrawals at most of its ATMs primarily in banking centers and in-store locations from \$2 to \$3.
- In NY, NV, NM, IL and MA, the fee will increase on August 31.
- The fee will not apply to most ATMs in off-site locations, such as malls or airports, or in the Chicago market.

Background

- The last increase in the non-customer ATM surcharge occurred in August 2005 when fees were raised from \$1/\$1.50 in some (Northeast and Western) markets to \$2 to be consistent with most Model pricing.
- ATM surcharge fees typically range from \$1.50 to \$3.00, with the industry average at \$1.64 per Bankrate.com. Bank of America may be an industry leader in increasing the fee to \$3 and most likely will draw attention from the press, state legislators, consumer advocates, and Congress given the size of our network.

Talking Points

- The fee applies only to non-customers who are using our ATM network.
- We are increasing the fee primarily at ATMs in banking center and in-store locations, where we want to provide the most convenient ATM access and reduce the wait time for our deposit customers. The fee increase will not apply at approximately 6,300 ATMs at off-site locations, such as malls, airports, universities and convenience stores, where we get more non-customer traffic.
- The fee itself and the amount of the fee are disclosed on all ATMs prior to the consumer confirming the transaction. In addition, consumers are given the option to cancel the transaction without incurring the fee.
- We have made a significant investment in the ongoing development and operation our unprecedented, nationwide ATM network for the benefit of our customers. Convenience is a key consideration for consumers. We believe it's appropriate to charge a reasonable fee to non-customers to access the convenience of our network.
- Consumers have a number of options to avoid the fee, including by using their own banks' ATMs or by getting cash back when using their cards at merchant locations.

Q&A

Why are you charging this fee?

Bank of America operates its network of ATMs for the convenience of our customers. We believe that in order to maintain and grow that network, it is appropriate to charge people who are not our customers for accessing the convenience of our network.

You recently raised the fee in many of these markets from \$1.25/\$1.50 to \$2. How can you justify another jump in fees?

Maintaining our extensive ATM network is a major investment. In addition, we continue to make significant investments in our ATM network to benefit our customers. For example, we are upgrading to Web-based ATMs that provide even more convenient features – such as expanded language capabilities, touch screen and voice-guided technology and improved security features – and we are rolling out ATMs that let our customers make deposits without envelopes.

Does it cost any more for you to process transactions for non-customers?

The bank continues to make significant investments in its ATM network and we continue to grow the network for the convenience of our customers.

Public officials have repeatedly attempted to restrict your ability to implement or increase ATM surcharges. Won't this pricing change result in more litigation and legislation?

We believe that we have the right to establish reasonable pricing for this service across our franchise.

Will Bank of America be the market leader in the surcharge rate?

We have the largest and most extensive network and charge \$3 to non-customers for the convenience of this service. I can't confirm if we are the market leader.

How will consumers be notified?

Non-customers will be notified that a fee may apply by a screen message at the ATM indicating the amount of the surcharge for the ATM. In addition, there may also be decals that are posted in proximity to the ATM.

Note: In most states the decal only says that there is a fee, not the amount, which is shown in all cases in a screen message. Fee notice decals with the amount displayed are only in NY, NM, NV and IL.

What if a consumer decides not to complete the transactions once they start?

During the transaction, a non-customer is notified of the surcharge and the amount of the surcharge. If the individual decides not to pay this amount, then they can cancel out of the transaction without incurring a fee.

Do you charge a fee for balance inquiries?

No, only monetary (withdrawals and cash advances) are charge a fee.

Does the \$3 fee apply at all ATM locations and in all markets?

It applies primarily at ATMs in banking center and in-store locations. We are not raising the fee at most off-site ATMs, such as mall and airport locations, or at ATMs in Chicago.

Why are you making an exception in the Chicago market?

Chicago is an emerging market and we assess each market separately to determine what is best for operations in those locales.

Are you also raising fees for your customers who use other banks' ATMs?

No. This applies only to non-customers using Bank of America ATMs.

Will consumers using your payroll debit card at your ATMs also be charged \$3?

No, this change does not apply to those customers.