ATM SURCHARGES

(Optional Convenience Fees)

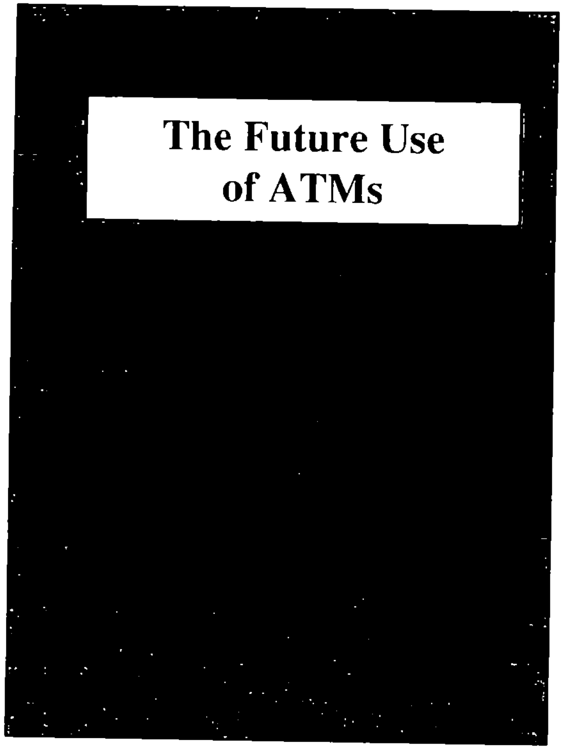
ATM's
-EW

....SOME FACTS

PULSE'S EXPERIENCE

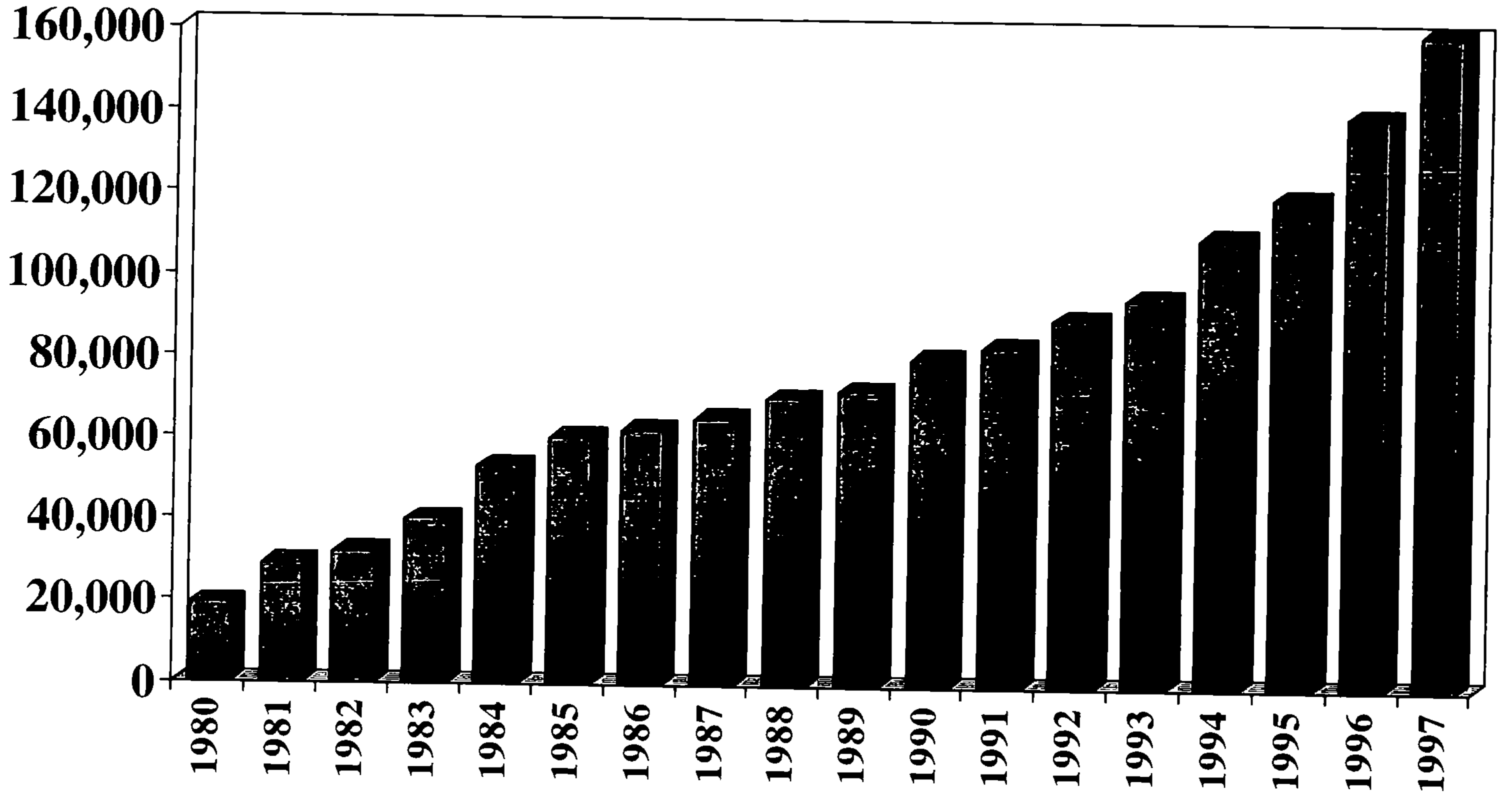
- Only a Relatively Small Percentage of Cardholders Pay the Majority of Convenience Fees
- ATM Convenience Fees Are in Fact the Catalyst for ATM Deployment and Consequently Convenience
- Consumers Not Wanting to Pay Will Find "No Cost" Ways to Get Cash or Find Substitutes, i.e. Visa Check/MasterMoney
- After 7 Years of Convenience Fees in Texas About 30% of Population 18 Years or Older Has Ever Paid an ATM Convenience Fee

OPTIONAL CONVENIENCE FEES HAVE PROVEN THE CATALYST FOR ATM DEPLOYMENT



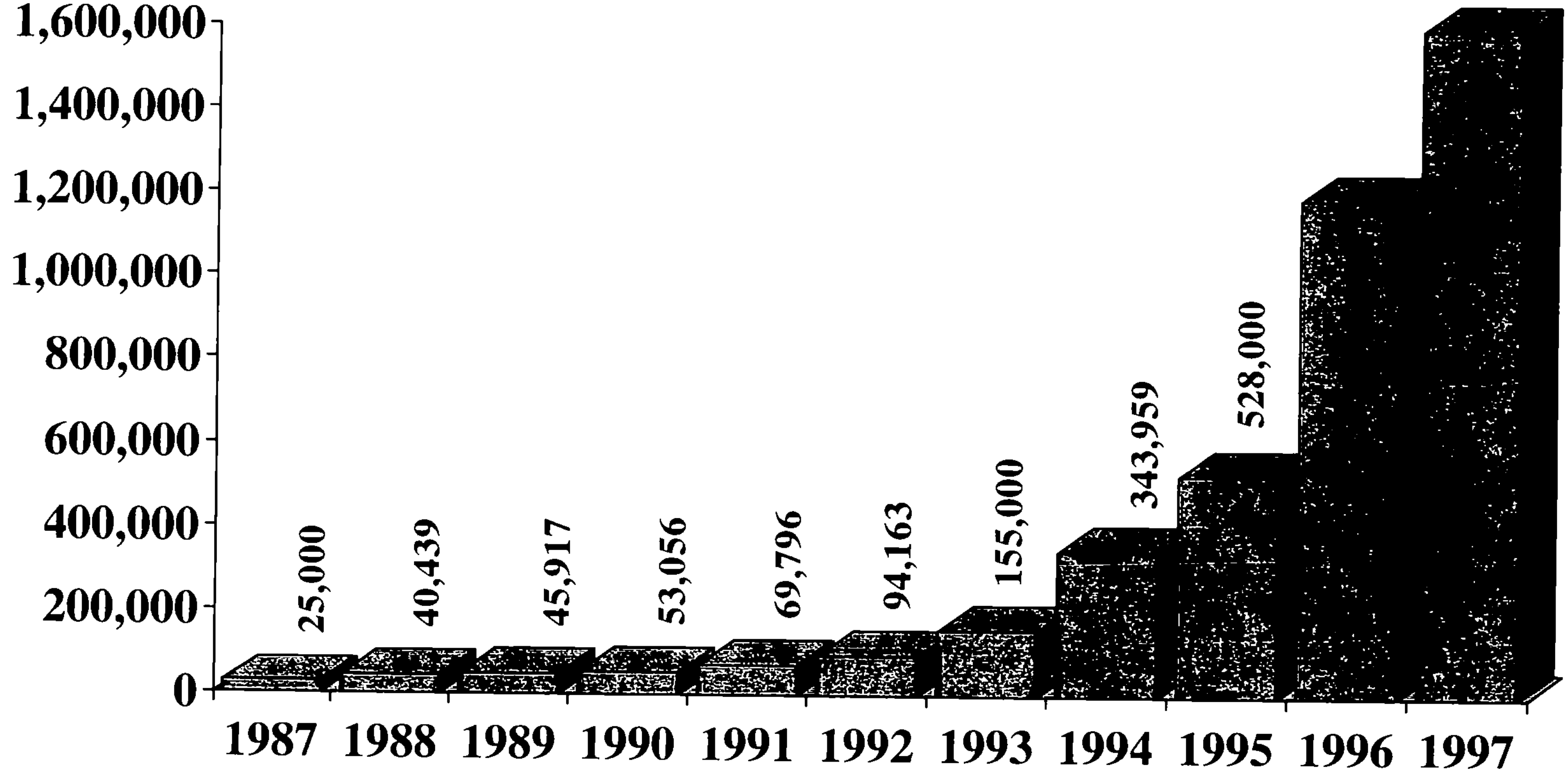
- Shopping Malls
- Theatres
- Sporting Arenas
- Hospitals
- Government Buildings
- Grocery Stores

NUMBER OF ATMs IN THE U.S.



Source: Dove & Associates

Debit Terminal Growth In The Last 11 Years



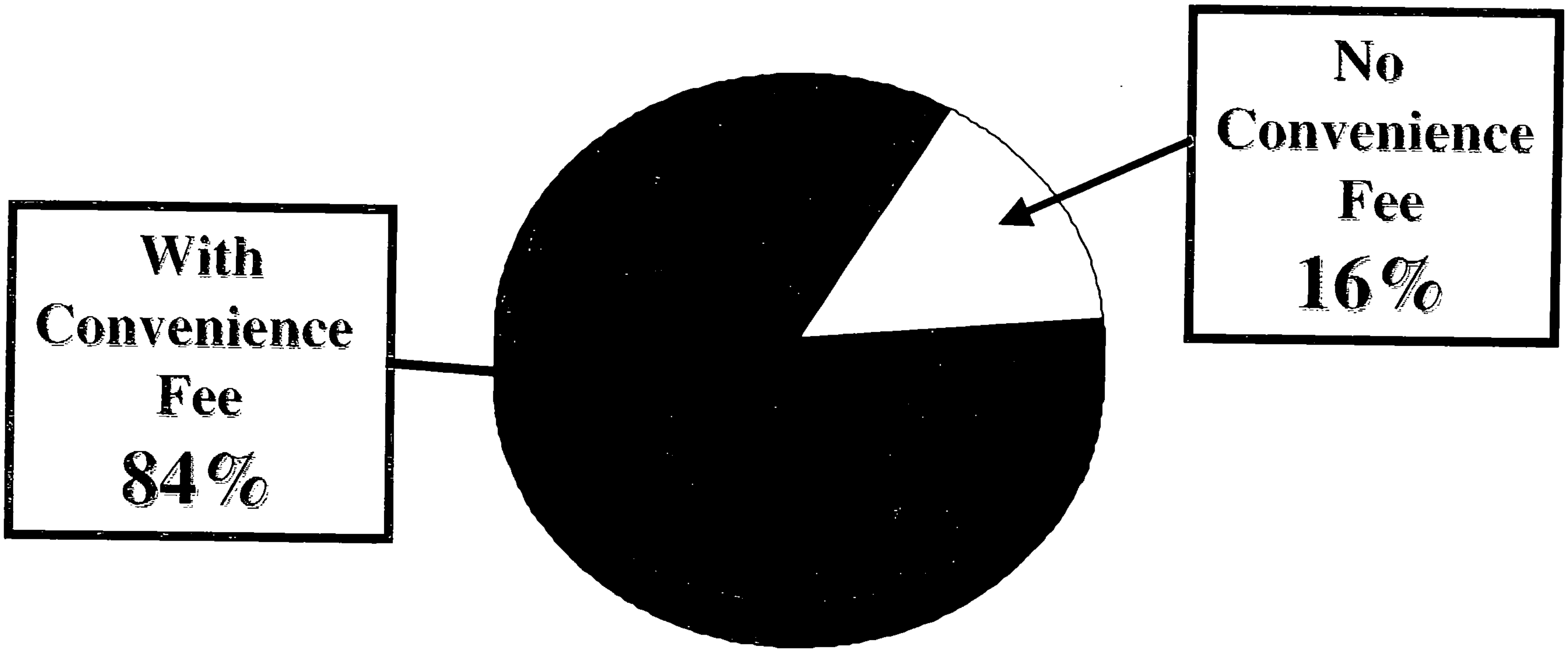
Source: POS News

ON-LINE POS TERMINALS BY RETAIL CHANNEL

Year	Convenience Stores	Supermarkets	Service Stations	Total
1986	1,268	2,319	8,106	17,256
1987	1,900	3,300	11,800	25,000
1988	1,700	14,700	9,900	43,600
1989	2,343	15,856	9,888	45,917
1990	2,725	21,538	10,079	53,056
1991	3,091	31,795	13,434	69,796
1992	7,136	45,123	16,621	95,163
1993	7,204	75,317	22,092	155,000
1994	14,000	187,400	53,200	340,500
1995	21,000	238,100	105,400	528,600

Source: Debit Card News

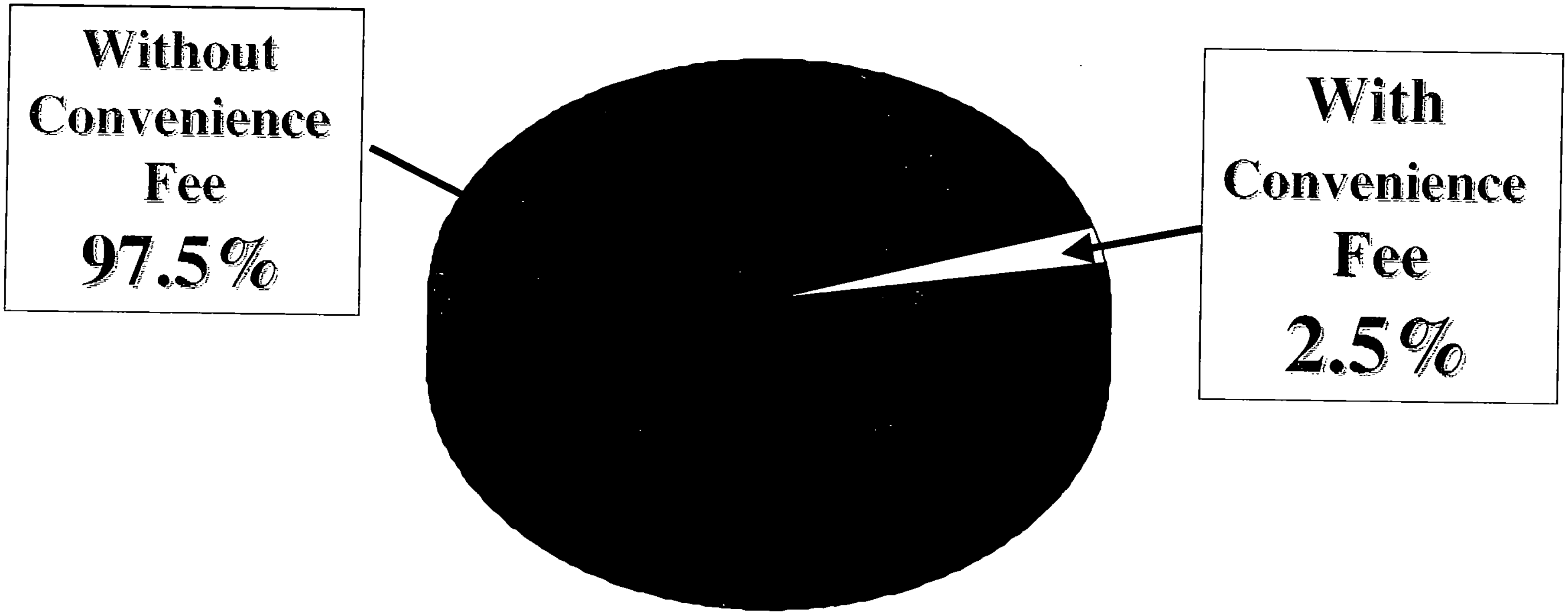
% OF ATM WITHDRAWALS WITH CONVENIENCE FEES



Average Convenience Fee in PULSE $1.26

Source: PULSE EFT Association

% OF POS TRANSACTIONS SUBJECT TO CONVENIENCE FEE

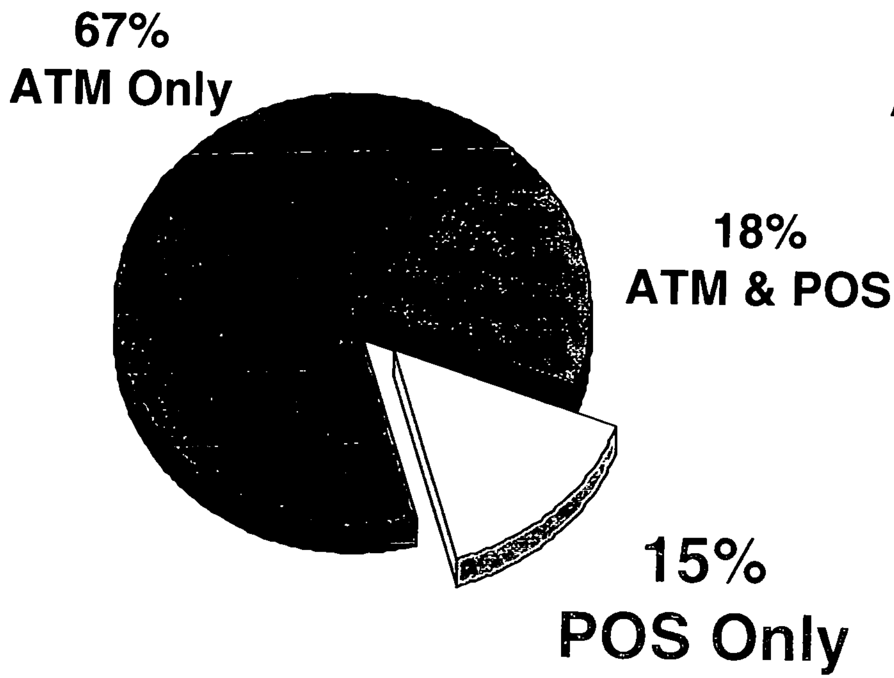


Average Surcharge is $.94

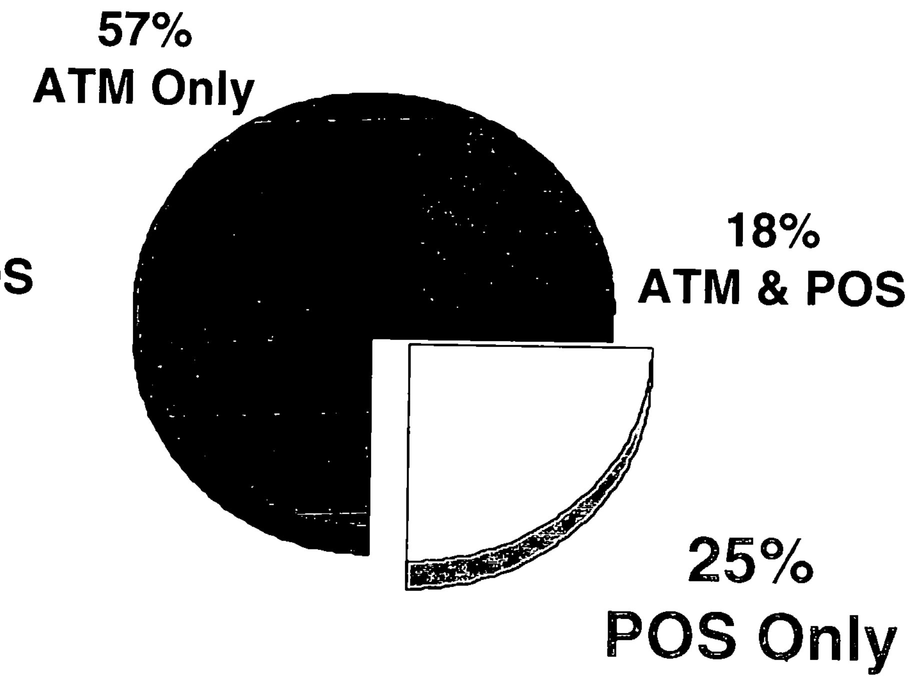
Source: PULSE EFT Association

% OF PULSE NETWORK CARDHOLDERS USING ATM CARDS FOR "POS ONLY"

1996

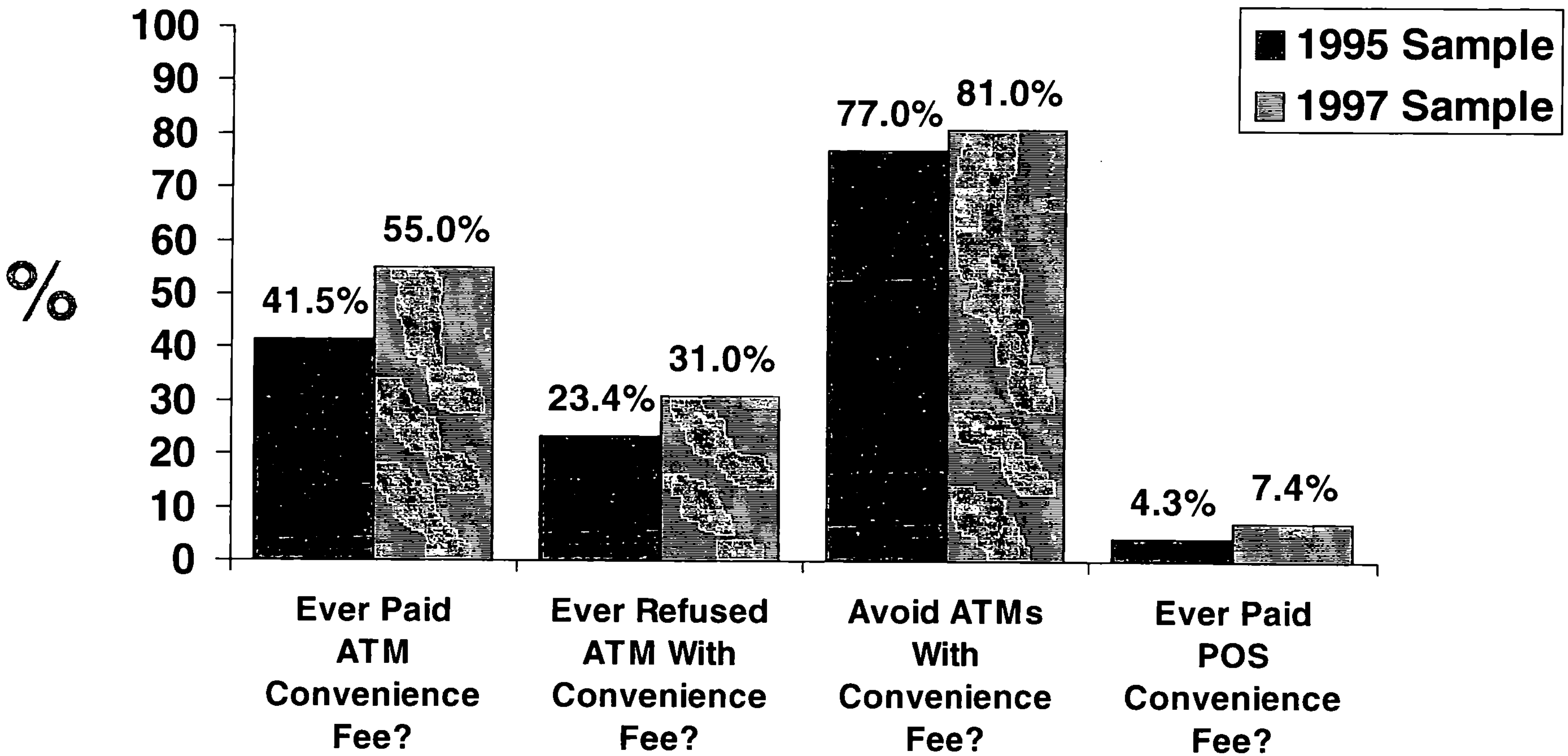


1997



Source: PULSE EFT Association

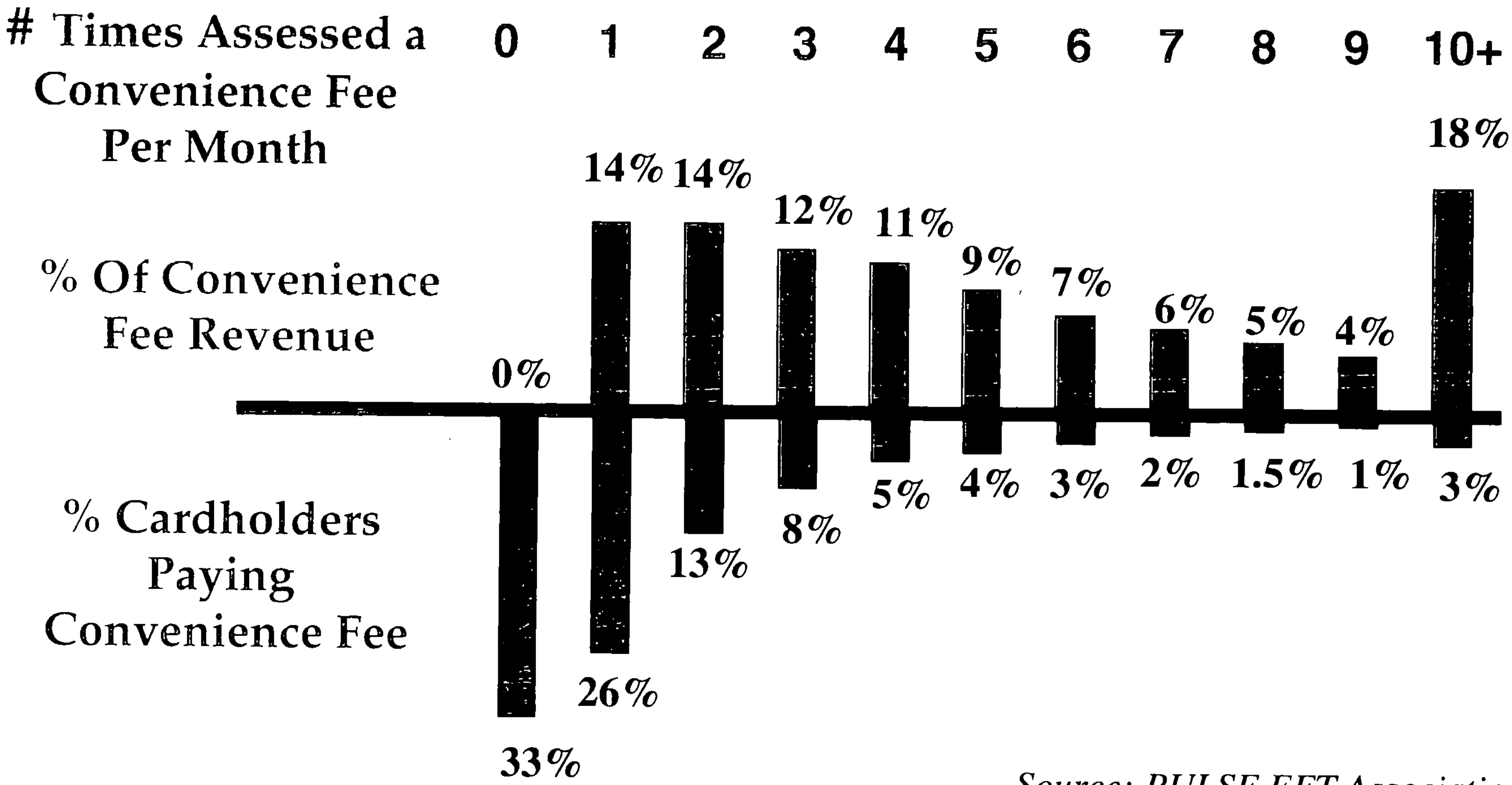
CONSUMERS' EXPERIENCES WITH CONVENIENCE FEES



The average reported ATM convenience fee increased from $.82 in 1995 to $1.26 in 1997.

Source: Analytica, Inc. 1995 & 1997 Research

MUCH OF SURCHARGE REVENUE COMES FROM RELATIVELY FEW CARDHOLDERS...



Source: PULSE EFT Association

Selected Freedom-of-Choice
Consumer Convenience Options in Everyday Life

	Low or No Cost Option	Convenience Option*
Highway Driving	State and Federal Highways: *Free*	Toll Road *50¢ - $4.00*
Hotel Telephone	Pay Phone *Local call: 25¢*	In Room *Local call: 75¢*
Parking	Street or Lot *Free to nominal*	Valet *$3.00 - $15.00*
Airport Parking	Remote with Shuttle *$2.75 - $3.75 per day*	Close In at Airport *$22.00 per day*
Soft Drink	Supermarket Purchase *25¢*	Vending Machines *75¢*
Transportation	Bus or subway *$1.00 - $1.50*	Taxicab *$5.00 and up*
Cash Withdrawal	**Check cashed at own bank during banking hours or grocery store with purchase: *Free***	**Any of thousands of ATM machines *Free - $1.00***

**Approximate cost of typical purchase or fee*

ATM CONSUMER USAGE PICTURE*

Representative Sample of 1,000 Adults 18 years and older

1,000 Adults Age 18+

Only 78% have any bank account

780 have a bank account

Of those having a bank account, only 58% have an ATM Card

449 have an ATM Card

For those with an ATM Card, 70% say they have ever paid a convenience fee

313 say they have ever paid a convenience fee

Of those who have paid a convenience fee, 73% pay $1 or less

228 pay $1 or less

Of those who have paid a convenience fee, only 27% pay $1 or more

Therefore, only 8.5% of all persons surveyed pay more than $1

85 pay over $1

**Study of persons 18 years and older conducted in Texas by Analytica, Inc.*