

The conveniences - and pitfalls - of automated teller machines

There's probably not one adult in the U.S. who does not use an automated teller machine on a regular basis. You no longer have to stand in line inside the bank to make deposits, withdrawals or inquiries on your accounts. If you're going shopping, you can use your bank card to pay for purchases and even get cash back, withdrawn automatically from your bank account. Automated teller machines are not confined to bank premises either. They're everywhere, at the mall and inside stores, from large department stores to the local mini-mart. Automated teller machines make our lives easier, often eliminating a trip to the bank among our errands. If these handy money machines were to disappear altogether, the entire society would be thrown into a tizzy.

However, there are negative aspects to the automated teller machines that you need to be aware of in order to save money, keep your finances straight and be safe from thieves and muggers.

Most important is the safety factor. It's unwise to use an automated teller machine on the street at night, even if other people are waiting in line behind you. Thieves lurk around these machines and are practiced in looking inconspicuous. A person standing nearby may look as though he's waiting to hail a taxi or looking out for a friend he's meeting. In fact, he may be idling there, waiting for you to withdraw some cash and then mugging you. If you're withdrawing money, find an automated teller machine inside a store in a well-lit area.

Another aspect of using automated teller machines can be dangerous to your financial standing. When banks first installed these machines, you were not charged a fee to get a mini-statement of account or to withdraw cash. As the automated teller machines began populating small stores and malls, transactions became a bit more complicated.

Now, if you use a machine in the mini-mart, chances are that the machine is owned by someone other than your bank. When you withdraw cash, you are charged a fee by the owner of that machine, which is clearly spelled out on the screen before you complete your transaction. You accept the fee and make note of it in your bank book. What you may not know is that your own bank will also charge a fee for processing the outside transaction. If your bank balance is not high and you make a number of such transactions, your account may become overdrawn, and a hefty overdraft fee will be assessed.

When you use automated teller machines, keep an eye on those hidden fees, be conscious of your surroundings and enjoy the conveniences they provide.

