



# Bulletin No 2

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# Pin Pad withdrawals

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Our Office deals with numerous complaints regarding losses incurred at ATMs. One of the problems we have identified concerns the following:

By various criminal means thieves manage to obtain a client's ATM card and PIN. The client is usually under the impression that his potential loss is only limited to his daily ATM withdrawal limit. This is in fact not the position. The thief is also able to make withdrawals from a Pin Pad at a teller using only the card and PIN as identification. These withdrawals are in excess of the client's daily ATM withdrawal limits. In effect this means that the daily withdrawal limit at an ATM is of no consequence and value during normal banking hours.

The clients often allege that they were not aware of this withdrawal facility on their accounts and were thus exposed to substantial risk without being informed.

After all the relevant banks responded to our Office's submissions, we are now satisfied that we have established good banking practice in this regard to be as outlined below:

**It is good banking practice for a bank to not allow withdrawals from a Pin Pad facility within a bank branch in excess of the client's daily ATM withdrawal limit, without verifying the client's identity document or similar form of identification, unless the client has specifically been informed of the facility, its procedure, limits and the risks inherent in such a facility.**

Any complaint relating to the abovementioned scenario, reported to our Office, will be evaluated with due regard to this finding and any other relevant factors.

**Adv NJ Melville  
Ombudsman**