

From: Ecash, Inc., Jim Burns  
Subject: Reg I I - Debit card Interchange

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Comments:

TO: The Federal Reserve Board of Governors  
In reference to docket No. R-1404

I am writing to address the proposed rulemaking for the Durbin amendment as it may apply to ATM transactions.

Ecash, Inc was formed in 1999 for the purpose of deploying ATM machines in our specific market area in Indiana, western Ohio and southern Michigan. Today we have deployed nearly 400 ATM machines throughout this market. We employ 10 full and part time personnel and are looking forward to continued growth.

Our hard cost to provide cash to ATM card holders is currently \$1.74 per transaction. We pay the merchant who provides ATM space as well as cash inventory, we pay for the ATM machine, machine maintenance, security costs, processing and network fees, bank sponsorship, office personnel, we answer cardholder questions and concerns and we diligently comply with all industry standards and government regulations.

We depend on the free flow of interchange revenue that we currently enjoy. The interchange revenue we receive helps keep our surcharge fee that we charge the cardholder very low. Our current average surcharge fee is only \$2.09. If interchange revenue disappears the surcharge fee will necessarily rise to \$2.60 for the same transaction, a 25% increase to the cardholder.

We think it is very important to require issuers to ensure that ATM transactions are routed over at least two unaffiliated networks as is currently being considered. This allows us to route the ATM transaction to the network with the lowest competitive cost to the cardholder. This competition for the transaction processing will trend the industry cost downward because there will be competition for each and every ATM transaction.

Thank you for the opportunity to be heard.

Jim Burns  
Ecash, inc.