

EXAMPLE OF HOW PURCHASE IS A BETTER INVESTMENT THAN PLACEMENT

Placement is the practice of an Independent Company installing an ATM in a merchant's premises and paying the merchant a fee per transaction. The ATM is owned by the Independent Company. While the merchant does not invest any funds in the ATM, the per transaction fee does provide additional revenue to the merchant.

Purchasing an ATM is a far better investment for the merchant as the merchant receives the full amount of the Surcharge received on each transaction. The cost of the ATM is recovered within 4 - 5 months. The following example shows a comparison of Purchase and Placement.

Assumptions

# of Trans per month	400	ATM Purchase	\$3,395
Surcharge amount	\$1.75	Price	
Placement Revenue	50% of Surcharge		

Month	Transactions per month	ATM PURCHASE			PLACEMENT
		Surcharge Revenue	Investment Reduction	Monthly EARNING	Monthly Earnings
			\$3,395		
1	400	\$688	\$2,707	0	\$350
2	400	\$688	\$2,019	0	\$350
3	400	\$688	\$1,331	0	\$350
4	400	\$688	\$643	45	\$350
5	400	\$688		\$688	\$350
6	400	\$688		\$688	\$350
7	400	\$688		\$688	\$350
8	400	\$688		\$688	\$350
9	400	\$688		\$688	\$350
10	400	\$688		\$688	\$350
11	400	\$688		\$688	\$350
12	400	\$688		\$688	\$350
12 MONTH REVENUE				\$5,549	\$4,200
EARN MORE THAN PLACEMENT				\$1,349	

13	400	\$688		\$688	\$350
14	400	\$688		\$688	\$350
15	400	\$688		\$688	\$350
16	400	\$688		\$688	\$350
17	400	\$688		\$688	\$350
18	400	\$688		\$688	\$350
19	400	\$688		\$688	\$350
20	400	\$688		\$688	\$350
21	400	\$688		\$688	\$350
22	400	\$688		\$688	\$350
23	400	\$688		\$688	\$350
24	400	\$688		\$688	\$350
12 MONTH REVENUE				\$8,256	\$4,200
EARN MORE THAN PLACEMENT				\$4,056	

In the first 2 years, merchant will earn	\$13,805
compared to Placement revenue of	\$8,400
A NET BENEFIT OF	\$5,405