



How Network Branded Prepaid Cards Provide Consumers with New Financial Solutions and Choice

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Card issuers leverage the flexibility of network branded prepaid cards to create solutions that address many common consumer needs, offering a safe, easy-to-use alternative to paper-based products such as checks, cash, and even vouchers.

The following provides examples of a few of the more popular types of network branded prepaid cards and describes how they can make a positive impact on consumers' lives:

Network Branded Prepaid Card Application	How the Card Makes a Positive Impact on Consumers' Lives
Payroll	<p>Description: Replaces checks to pay wages to employees. Once the card is issued, wages are "loaded" to the card at the end of each pay period.</p> <p>How to Get One: Issued through employers to participating employees.</p> <p>Source of Funds: Employer.</p> <p>How Used: To make purchases, pay bills, and get cash.</p> <p>Benefits to Consumer: Immediate access to wages—no need to cash a check, avoids check cashing fees, funds are replaceable if card is lost/stolen, no need to withdraw full amount of pay at one time (safety consideration), access cash almost anywhere through ATMs, empowers consumers who may not be in the financial mainstream and offers prestige of a branded card. Cardholders may designate funds from other sources (for example, another employer or government benefits) to be credited to the payroll card.</p>
Healthcare	<p>Description: Provides a convenient way to access funds in healthcare plans (including Flexible Spending Accounts, Health Savings Accounts, and Health Reimbursement Arrangements).</p> <p>How to Get One: Issued by healthcare plan administrators or obtained through a third party by the consumer (depending on the type of the healthcare plan).</p> <p>Source of Funds: Through the employer or a third party, such as a financial institution administrator (depending on the plan).</p> <p>How Used: To pay for co-pays and services at medical facilities and at pharmacies for approved purchases.</p> <p>Benefits to Consumer: Provides easy access to healthcare funds, eliminates paperwork associated with filing claims, no waiting for reimbursement of co-pays, funds are replaceable if card is lost/stolen.</p>

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Network Branded Prepaid Card Application	How the Card Makes a Positive Impact on Consumers' Lives
Gift	<p>Description: Offers purchasers a convenient-to-buy, flexible-amount gift option appropriate for any occasion and offers recipients the flexibility to choose the perfect gift from a wide array of merchants.</p> <p>How to Get One: Purchase on the Web, at retail stores, or financial institution branches.</p> <p>Source of Funds: Typically consumer.</p> <p>How Used: To purchase a gift of the recipient's choice at a wide array of merchants. Usually not reloadable and not useable at ATMs.</p> <p>Benefits to Card Purchaser: Easy to purchase, available in variable amounts, always the right gift.</p> <p>Benefits to Card Recipient: The choice to buy the "perfect gift" at <i>any</i> merchant that accepts the card brand, including Internet and mail order/telephone order merchants. No unwanted gifts or gift returns.</p>
Disaster Relief/Insurance	<p>Description: Gets emergency funds to disaster victims—fast.</p> <p>How to Get One: Issued by insurance companies, government agencies, and relief organizations.</p> <p>Source of Funds: Government, relief agency, insurance company.</p> <p>How Used: To pay for necessities in the aftermath of a disaster (e.g., natural disaster or house fire). May or may not provide ATM access.</p> <p>Benefits to Consumer: Immediate access to funds—no need to cash a check, may be issued on the spot, wide merchant acceptance, funds are replaceable if card is lost/stolen.</p>
General Purpose	<p>Description: A safe and convenient alternative to using cash and checks for everyday purchases and bill paying.</p> <p>How to Get One: Purchase on the Web, at retail stores, or financial institution branches.</p> <p>Source of Funds: Employer, government, consumer.</p> <p>How Used: To make purchases, pay bills, and get cash.</p> <p>Benefits to Consumer: Empowers consumers who may not be in the financial mainstream and offers acceptance/prestige of a branded card. Enables those limited by a cash-only lifestyle to carry funds safely and conveniently, pay bills, and access cash independently. May request employers and other sources of income (e.g., government benefits) to credit funds to the card.</p>

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Network Branded Prepaid Card Application	How the Card Makes a Positive Impact on Consumers' Lives
Travel	<p>Description: A convenient way for consumers to carry vacation/travel funds.</p> <p>How to Get One: Purchase on the Web or at travel-related businesses and financial institution branches.</p> <p>Source of funds: Consumer.</p> <p>How Used: To pay for purchases at millions of participating merchants. Some cards may be used worldwide; some are limited to domestic use. Cards with ATM access may be used to access cash in the local currency.</p> <p>Benefits to Consumer: Safer than carrying cash, more convenient than carrying travelers checks, accepted almost everywhere, eliminates currency exchange hassles, offers favorable exchange rates.</p>
Incentive/Rebate	<p>Description: Businesses buy prepaid cards in bulk to distribute to employees as incentives or to customers as incentives or rebates.</p> <p>How to Get One: Businesses issue cards to consumers (customers and/or employees).</p> <p>Source of Funds: Business.</p> <p>How Used: To pay for purchases at millions of participating merchants.</p> <p>Benefits to Consumer: Funds are immediately available—no check to cash, usable at many merchant locations, less hassle than check rebate/incentive payment.</p>
Government	<p>Description: Federal and state governments distribute benefits (e.g., child support, unemployment insurance, TANIF) using a prepaid card rather than a check.</p> <p>How to Get One: Government distributes these to benefit recipients who elect to receive their benefits in card form, rather than direct deposit or a check. In some states, distribution of benefits by card is a requirement for some programs.</p> <p>Source of Funds: Government.</p> <p>How Used: To make purchases, pay bills, and get cash.</p> <p>Benefits to Consumer: Funds are immediately available—no check to cash, usable at many merchant locations, bill paying capabilities, keeps funds segregated for easy accountability (important in some child support situations).</p>