FDIC survey confirms CFSI finding that 21 million U.S. households are underbanked; FDIC identifies 9 million unbanked households.

Total unbanked and underbanked (% of U.S. Households): 26%*

Underbanked status varies based on income, race/ethnicity:

| Underbanked percentage by income: | 22% of households earning less than $15k |
| | 24% of those earning $15-30k |
| | 18% of the general population |

| Underbanked percentage by race/ethnicity: | 32% Black |
| | 29% American Indian |
| | 24% Hispanic |
| | 16% Hawaiian |
| | 15% White |
| | 7% Asian |

Source: FDIC
78% said prepaid cards are extremely or very useful
74% said they were certain or very likely to recommend a prepaid card to someone else
64% said they use prepaid cards to make online purchases
56% said they use prepaid cards to make everyday purchases
41% said they use prepaid cards to keep spending within a budget
60% said they use prepaid cards at least once/week
48% said they currently have a bank account
33% said they currently have a credit card

Source: NBPCA/CFSI Prepaid Study 2009
1. Convenience
2. Acceptability/Inclusion: “I have it too, I have plastic too.”
3. Immediacy
4. Simplicity & Transparency
5. Value: “If I go to a bank I would just be paying whatever monthly fee which is about the same, and more if I had one overdraft.”
6. Budgeting Tool/Discipline: “The good thing about this though is that you can’t write checks and have them bounced. It’s like the funds are either there [or not]; the transactions either passes or doesn’t. So it’s a good discipline for me.”

Source: CFSI Voice of Prepaid Consumer 2009
Overall, 36% of underserved consumers prefer a prepaid card over a checking account, all else being equal.

Preferences vary significantly depending on banked status:

**Underbanked Preferences**
- Prepaid card, 18.3%
- Checking account, 81.3%

**Unbanked Preferences**
- Prepaid card, 55.4%
- Checking account, 41.2%

Source: CFSI Underbanked Consumer Study, 2008
Prepaid cards help control spending and are universally accepted.

Source: CFSI Underbanked Consumer Study, 2008
Consumer costs for transaction services vary with usage.

Estimated Range of Fees Paid

- **General Purpose Prepaid**: $8.70 (Consumer 1), $19.00 (Consumer 2), $6.00
- **Checking**: $12.22 (Consumer 1), $17.85 (Consumer 2), $9.89
- **Check Casher**: $35.58 (Consumer 1), $12.22 (Consumer 2), $6.00

Source: CFSI One Size Does Not Fit All, 2009
CFSI Prepaid Research

Can Email Alerts Change Behavior? An Experiment by Ready Credit Corporation (2010)
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A Tool for Getting by or Getting Ahead? Consumers’ Views on Prepaid Cards (2009)
Results of the NBPCA/CFSI Survey: “Satisfaction with and Usage of Prepaid Cards” (2009)
Industry Forecast for Prepaid Cards, 2009
Prepaid Cards vs. Checking Accounts inBrief (2008)
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