

REACHING THE UNDERBANKED AT TAX-TIME

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Agenda

- 1) Pilot Summary
- 2) Promoting the Direct Deposit Card
- 3) Card Account Enrollment Process
- 4) Pilot Observations
- 5) Challenges for Program Expansion
- 6) Feedback from Taxpayers

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Pilot Summary - Primary Account Services

- Direct Deposit to a Card Account
 - Bank account for taxpayers to use direct deposit to receive refunds sooner
- Access to Deposited Funds Using a Prepaid Account
 - Deposited funds can be accessed through Visa prepaid cards
 - No paper checks
- Direct Deposit of Payroll and Government Benefits
 - Card accounts can continue to be used after initial tax refund
- Financial Education Relevant to Prepaid Card Accounts

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Distribution Channel

- Accounts Promoted and Enrolled Through Volunteer Income Tax Assistance (VITA) Sites
- 8 VITA partners participated in pilot across 16 locations
 - Urban, rural, cultural diversity
 - VITA staff validated taxpayers' identities
- Training VITA staff and volunteers occurred remotely through conference calls, Webinars
- No Chase employees present on site

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Pilot Summary - Value Proposition to Taxpayers

- Check cashing costs eliminated
- Refunds received quicker
 - Returns processed quicker by IRS
 - Mail time eliminated
- Safety of using funds as needed rather than carrying large amounts of cash
- Access to funds at any ATM or wherever Visa cards are accepted



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Promoting the Direct Deposit Card

- Direct deposit alternative for taxpayers who do not have bank accounts
- All taxpayers enrolled through participating VITA sites are accepted for account enrollment
- Be sure the card is right for each taxpayer requesting it
 - Not a loan
 - Clearly disclose all potential fees
 - Select the right banking product to fit each taxpayer's individual needs

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Promotional Materials Available on Site



Promotional brochures and posters



Frequently Asked Questions document and detailed fee schedule

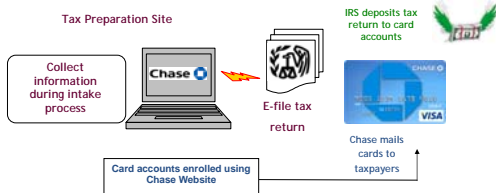


Instructional brochures for enrolled taxpayers

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Card Account Enrollment Process

Goal is to minimize disruption to tax preparation process



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Pilot Observations

- Higher than expected enrollment rates
- Large variance of enrollment volumes by site
- Considerably higher enrollment rates at sites with financial coaches
- Card usage activities similar to broader prepaid card population
- VITA staff are very resourceful and require minimal support

Challenges for Program Expansion

- Banks required to adhere to *Know Your Customer* regulations for preventing money laundering
- Annual turnover of VITA volunteers results in need for retraining
- Need to consider long-term business case for low cost financial services
- Unclear direction for scope of national program



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Feedback from VITA Partners

- Some taxpayers reluctant to do business with banks
- Cultural variances in card adoption
- Some enrollments were the result of word of mouth endorsement
- Taxpayers are cost sensitive when considering among alternatives



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