



FOR IMMEDIATE RELEASE

Eighty Percent of Prepaid Industry Executives See Underbanked Consumers as Important to the Future Growth of Prepaid

CFSI launches year-long prepaid card research effort to further understand underbanked consumer attitudes and experience with general-purpose reloadable cards

Chicago, March 9, 2009- The Center for Financial Services Innovation (CFSI) announced today that 80 percent of polled prepaid industry executives see underbanked consumers as important or very important to the future growth of the prepaid industry, according to its latest survey of prepaid industry executives. Survey results are detailed in a new white paper, "The Industry Forecast for Prepaid Cards, 2009," released today at the Prepaid Card Expo.

CFSI's paper is a current snapshot of the prepaid industry, bringing context to trends in general purpose reloadable (GPR) cards, identifying possible roadblocks to greater consumer adoption and usage of prepaid cards, and exploring ways to overcome those roadblocks. CFSI partnered with Paybefore.com to conduct an Internet poll of industry executives. CFSI then interviewed 18 industry leaders across the spectrum of participants in the prepaid value chain. The study also revealed that nearly 70 percent of industry executives believe that 2009 growth in the general purpose reloadable (GPR) card market will equal or exceed growth levels in 2008. The responses showed a high level of optimism about the future of the industry, in part because of the opportunities presented by the current economic climate.

"In the midst of a rocky period in the financial services industry, many providers are looking to prepaid cards to serve the underbanked consumer," said Jennifer Tescher, Director of CFSI. "Knowing the perspective underbanked consumers have about prepaid cards gives CFSI a unique viewpoint to help the industry understand the potential gap between what customers want and what is being offered."

The paper is the first in a series of CFSI research efforts to further understand how underbanked consumers use the product to meet their financial services needs. In early April, CFSI will release its next prepaid paper, which features in-depth one-on-one interviews with underbanked consumers to better understand the impact that these new products and services are having on consumers' money management practices and long-term financial well-being.

The initial results of these in-depth consumer interviews will be featured in Jennifer Tescher's Prepaid Expo session, "Understanding the Underbanked Consumer Experience with Prepaid Cards" at 1:15– 2:10pm today. She also will give a first look at the results of the industry survey.

The complete paper can be found on CFSI's website at <http://www.cfsinnovation.com/research-paper.php>. For additional information about CFSI's prepaid research and industry analysis, please contact CFSI at info@cfsinnovation.com.

About CFSI:

The Center for Financial Services Innovation, a non-profit affiliate of ShoreBank Corporation, facilitates financial services industry efforts to serve underbanked consumers across the economic, geographic and cultural spectrum. It provides funding and resources, enables partnerships, and identifies, develops and distributes authoritative information on how to respond to the needs of the underbanked profitably and responsibly. CFSI works with banks, credit unions, technology vendors, alternative service providers, consumer advocates and policy makers to forge pioneering relationships, products and strategies that will transform industry practice and the lives of underbanked consumers. For more on CFSI, go to www.cfsinnovation.com.

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