

Prepaid Cards Offer Families A Financial Solution

(NAPSA)—Millions of Americans nationwide prefer the anywhere, anytime convenience of a prepaid card for money transactions versus a traditional bank checking account. Payroll deposits, tax refunds, Social Security and other government benefits, as well as cash, can be received on a prepaid card.

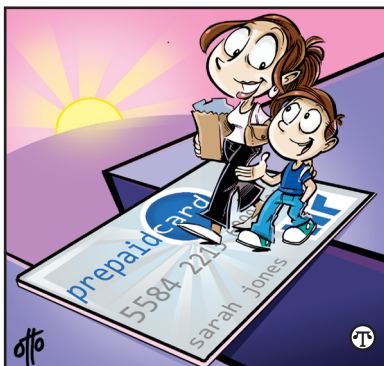
Consumers store their money, shop online, make purchases at stores and restaurants anywhere, withdraw cash and pay bills electronically, and have access to millions of ATMs worldwide...all without the fear of being overdrawn and without a bank credit check.

Prepaid cards are commonly referred to as prepaid credit cards but function more like a debit card than a credit card. Credit cards extend a line of credit to cardholders, whereas prepaid card users can only spend what they deposit to their card account, which can be done automatically by payroll direct deposit or at any number of retail stores providing money transfer services such as MoneyGram. Many people say it helps them to control their spending and stick to a budget.

The Center for Financial Services Innovation (CFSI) studied the features and benefits offered by prepaid card companies. The study looked at how consumers use prepaid cards and whether the cards help financially underserved consumers manage their money.

Reloadable prepaid cards function like electronic bank accounts without checks. Consumers load funds on the card and can spend only what they load, limiting the risk of overdraft while providing immediate liquidity. Transaction costs are low and many providers are adding features, including bill payment, money transfer, savings wallets and other new services.

The CFSI study found that such cards have the potential to enhance families' financial well-being.



Prepaid cards can enhance a family's financial well-being, according to a recent study. Cards are regularly used to pay bills online, over the phone and to make point-of-sale purchases such as groceries and gas.

Consumers gave several reasons for liking their cards:

Convenience: Cardholders do not have to run to different places to cash a check, buy money orders and then deliver payments. Apparently, the feds find them convenient, too. After March 1, 2013, Social Security, veterans and other federal benefits will all be paid either by direct deposit to a bank account or to a reloadable prepaid card.

Accessibility: Branded cards (with Visa, MasterCard, Discover or American Express logos) are accepted universally.

Simplicity and transparency: The fee structures of prepaid cards are easy to understand.

Value: Most customers felt the costs associated with prepaid are lower than what they would incur if they used a check-cashing service or checking account.

Built-in discipline: Prepaid cards provide much of the ease of a checking account with a major advantage—they cannot be overdrawn. No credit check is required.

For more information, visit www.accountnow.com or go call (866) 398-3306 to get a card.