**Lewis Goodwin**

**Chief Executive Officer, Green Dot Bank**

**CONFERENCE OF STATE BANK SUPERVISORS**

**Emerging Payments Task Force**

**PUBLIC HEARING ON EMERGING PAYMENTS ISSUES**

**CHICAGO, ILLINOIS**

**MAY 16, 2014**

Thank you for the opportunity to appear before you. My name is Lew Goodwin and I am the Chief Executive Officer of Green Dot Bank. I am pleased to be here today to discuss innovations in retail payments.

Green Dot Corporation is a bank holding company that owns Green Dot Bank, a state member bank located in Provo, Utah. We are regulated by the Board of Governors of the Federal Reserve System and the State of Utah Department of Financial Institutions.

Our core product is the Green Dot Card which is a general-purpose reloadable prepaid debit card. This card can be used to make purchases, to pay bills, to get cash and to access funds, just like any traditional MasterCard or Visa debit card. Today, Green Dot is the largest company in this space. We have over 600 domestic employees and have offices in Pasadena, California; Palo Alto, California, Bentonville, Arkansas and Provo, Utah.

Green Dot’s sole mission is to reinvent personal banking for the masses with a sole focus on low cost, fair and easy to use banking products for low and moderate income Americans. Our cards feature no penalty or overdraft fees of any kind and short, simple and clear disclosures. Green Dot cards and reload services are available to consumers at more than 90,000 retailers nationwide, online and via the leading app stores. Each year, Green Dot will open approximately 5 million new FDIC insured accounts for Americans who were either previously unbanked or underserved by traditional banks.

All Green Dot accounts are FDIC-insured accounts with Regulation E consumer protections. We require customer identification and our accounts are compliant with the requirements of the USA PATRIOT Act. Direct deposit is free and funds are immediately available. Registering and using a Green Dot card does not affect your credit score. In addition, there is no purchase fee when you order a card online. Green Dot products adhere to our customer covenant of clear disclosures, no minimum balance requirements and no penalty fees ever.

Green Dot supports the application of consumer protections to general purpose reloadable prepaid debit cards, including guaranteeing deposit insurance for the customer accounts, full Regulation E protections, crediting funds to accounts in a reasonable time, restricting abusive fees, and ensuring customer access to necessary account information.

Green Dot Corporation also operates the Green Dot Network, which offers the consumer the ability to add cash at retail to their prepaid cards, including the Green Dot Card and over 100 external prepaid programs. Earlier this year, Green Dot announced a new way for our customers to add cash to their prepaid cards. It is called “Reload @ the Register”. Currently our customers purchase a paper “chit” that is known as a “MoneyPak” to add cash to their reloadable prepaid cards at retail locations.

As the name implies, “Reload @ the Register” lets prepaid cardholders simply go to the register at any participating retailer to conduct their cash reload transaction. The cashier collects the cash from the consumer that he or she wishes to reload to their prepaid card along with any applicable reload fee and swipes the customer’s prepaid card through the retailer’s existing point of sale card terminal. The retailer’s terminal is connected to Green Dot’s data processing center where Green Dot is able to see the transaction in real-time. This real-time transaction method allows Green Dot to readily credit reloaded funds to the customer’s card account without any further action required by the customer or the retailer. For prepaid cardholders, Green Dot’s Reload @ the Register service allows them to enjoy a faster, easier and more intuitive reload transaction without having to fuss with the intermediary step of transferring funds from the paper chit to their prepaid card. We expect that this new reload experience will be available in most of Green Dot’s retail partners by the end of 2014.

Green Dot is also leader in mobile banking with our GoBank mobile Demand Deposit Account offering. GoBank is the first bank account designed from scratch to be opened and used on a mobile device. Each GoBank account includes a checking account with a linked- Visa debit card and an account called the “Money Vault” that’s designed to be an easy way for GoBank members to save. GoBank also features a consumer-friendly pricing model of no overdraft fees or penalty fees and no minimum balance requirements. We offer a network for over 42,000 free ATMs that are easily located through the GoBank app. Additional features include a user-friendly interface, a budgeting tool, P2P payments, mobile bill pay and paper check payments, remote check deposit capture, and free cash deposits at participating retailers. It is fast, fair and customer friendly; all accessed and facilitated through a mobile phone or online via any computer or tablet.

Thank you again for allowing me to appear here today. I am happy to answer any questions you may have.