



Ingo Money, Inc.

Prepaid Program Impact Analysis

December, 2014

Network Performance

In 2014, 46.1% of new Ingo Money users became repeat users.¹

- New users submit 1.2 checks on average for total average load value of \$292 before becoming repeat users; a new user is classified as a repeat user after the first check clears
- Repeat users load an average of \$580 per month across 2.04 check transactions
- Fee-based, Funds in Minutes is selected for 97% of total checks submitted; 90% of checks approved
- Following commercial launch in October 2013, current estimated Ingo Money user lifecycle is nearly 8 months and growing²

Ingo Money User Performance Metrics

Ingo Money 2014

USER METRICS	
Average Checks per New User	1.2
Average Load Value per New User	\$292.28
Average Monthly Checks per Repeat User	2.04
Average Monthly Load Value per Repeat User	\$579.13
Projected Lifetime Load Value per Repeat User ²	\$4,346.19

CHECK METRICS	
Checks Submitted: Immediate Funding	97%
Checks Approved: Immediate Funding	90%
Check Type Mix: Payroll & Government	44%
Check Type Mix: 2-Party Personal	34%
Average Check Value	\$270
Average PPG Check Value	\$349
Average Other Check Value	\$210

¹ Repeat user conversion rate is understated due to aggressive new user acquisition growth in Q4.

² Ingo Money average lifespan is 8 months and growing; Average lifecycle weighted to 2013 vintages and neglects new users acquired within the last 90 days.

Network Performance: Impact on Prepaid Cards

Card programs are experiencing substantial increases in prepaid card load value among Ingo Money users, with no measurable cannibalization to existing load volumes or load fee revenue.

- The average Ingo Money user loads 90% more value per month than a non-user
- Over the average prepaid card life, Ingo Money users will load nearly \$3,400 in incremental card value
- Projecting card life extension to current Ingo Money average lifecycle, lifetime prepaid load value for an average Ingo Money user could be 254% higher than a non-user

Ingo Money User Performance Metrics

Ingo Money 2014

CARDHOLDER LOAD VALUE METRICS	PREPAID CARD ¹	INGO	CARD + INGO
Average Monthly Load Transactions per Card	1.79	2.04	3.83
Average \$ Load per Load Transaction	\$360.48	\$283.58	\$322.03
Average \$ Load per Card per Month	\$644.55	\$579.13	\$1,223.68
Average Customer Life (months) ²	5.81	8	N/A
Average Prepaid Lifetime \$ Load per Card	\$3,745.84	\$3,364.75	\$7,110.59
Projected Prepaid Lifetime \$ Load Value per Card	\$5,156.38	\$4,346.19	\$9,502.57

¹ Visa Prepaid Industry Cardholder Lifetime Value Study, Visa Inc., 2013.

² Ingo Money average lifecycle still growing; metric weighted to 2013 vintages; neglects new users within the last 90 days due to substantial growth in the last quarter.

Ingo Money Impact on Prepaid Lifetime Value

Direct Deposit Enrolled Cardholders: Preliminary Analysis

- 15.6% of prepaid cards are funded via Direct Deposit¹
- Average lifespan of a DD-enrolled cardholder is 19.09 months; change in employment status (disruption in direct deposit) is the primary cause of attrition¹
- DD-enrolled cardholders who use Ingo load \$1,114.76 per month
 - 44.2% more value per month on average than non-users
 - Over the average lifespan of a card, incremental load value is projected at \$6,500
 - Ingo has potential to bridge the employment gap and extend lifespan for DD-enrolled cards

Ingo Money User Performance Metrics: Direct Deposit Cardholders

Analysis based on 3 months of available Ingo Money cardholder segmentation data

CARDHOLDER LOAD VALUE METRICS	DD CARD ¹	INGO DD USERS	CARD + INGO
Average Card Life (months)	19.09	N/A	19.09
Average Monthly Load Transactions per Card	1.55	1.58	3.13
Average Lifetime Load Transactions per Card	29.67	30.16	59.83
Average \$ Load per Load Transaction	\$497.19	\$215.96	\$356.56
Average \$ Load per Card per Month	\$772.82	\$341.94	\$1,114.76
Average \$ Lifetime Load per Card	\$14,752.95	\$6,527.63	\$21,280.58

¹ Visa Prepaid Industry Cardholder Lifetime Value Study, Visa Inc., 2013; Direct Deposit-Enrolled Cards.

Ingo Money Impact on Prepaid Lifetime Value

Cash Loading Cardholders: Preliminary Analysis (all data excludes one & done cards)

- 44.6% of prepaid cards are cash loaded¹
- Average lifespan of a cash loaded card is 6.97 months¹
- Cash loaders who use Ingo load \$963 per month
 - More than double the average monthly load of a non-user (\$424 per month)
 - 25% more than the average monthly load of a DD-enrolled cardholder (\$773 per month)
 - Nearly comparable to a DD-enrolled Ingo Money User (\$1,108 per month)
- Assuming a one-month life extension, lifetime load value is 260% of the average cash loaded card

Ingo Money User Performance Metrics: Cash Loading Cardholders

Analysis based on 3 months of available Ingo Money cardholder segmentation data

CARDHOLDER LOAD VALUE METRICS	CASH CARD ¹	INGO CASH USERS	CARD + INGO
Average Card Life (months)	6.97	N/A	6.97*
Average Monthly Load Transactions per Card	1.68	1.79	3.47
Average Lifetime Load Transactions per Card	11.73	12.48	24.21
Average \$ Load per Load Transaction	\$251.99	\$301.07	\$276.53
Average \$ Load per Card per Month	\$423.94	\$539.43	\$963.37
Average \$ Lifetime Load per Card	\$2,955.15	\$3,759.83	\$6,714.98

¹ Visa Prepaid Industry Cardholder Lifetime Value Study, Visa Inc., 2013; Cash Loaded Cards, excluding One & Done segment.

* Ingo Money average lifespan is 8 months and growing; Ingo Money has the potential to extend lifecycle for cash loaded cards.

