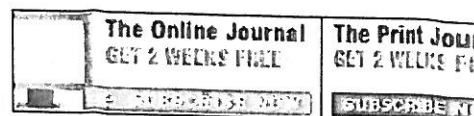


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Treasury Plans Social Security Debit Card

A Bid for Payments
To Become Cheaper
And More Secure

By ELEANOR LAISE
January 4, 2008

The Treasury Department plans to introduce a prepaid debit card for Social Security recipients in an effort to provide safer and cheaper benefits payments.

The Direct Express debit card, set to be announced today, will be introduced in a handful of states this spring and rolled out nationwide by the end of the summer. Dallas-based Comerica Inc.'s Comerica Bank has been selected as the card issuer for the program, which is targeted at Social Security and Supplemental Security Income recipients who don't have a bank account.

GOING PLASTIC

- **The Plan:** Treasury will roll out a prepaid debit card designed for Social Security benefits recipients who don't have bank accounts.
- **The Motivation:** The move is part of a broader effort to provide cheaper, more secure benefits payments by shifting away from paper checks.
- **The Outlook:** The plan may require substantial marketing and education to help users understand the card.

The card could mean significant cost savings for benefits recipients as well as the federal government, Treasury officials and banking experts say. People who sign up for the card will also gain faster access to their money and avoid some security problems, like stolen

checks.

But there are some cardholder fees associated with Direct Express, and a significant education effort may be required to get users to accept and understand the card.

The debit card is part of a broader effort by the Treasury to move to electronic payments. In 2005, the department started its Go Direct campaign, which is designed to encourage benefits recipients with bank accounts to switch to direct deposit.

cents per month for paper statements.

Cardholders can avoid surcharges at more than 56,000 designated ATMs, in ATM balance inquiries and cash withdrawals at a teller window will be free declined transactions, or inactivity. Cardholders can opt to receive free deposit message, email or automated phone call. The card should bring substantial savings to the government's cost to issue a paper check was 89 cents in fiscal year 2006, and 1 million recipients of Social Security and SSI don't have a bank account. If the government would save \$44 million a year, Ms. Tillman says.

The debit cards should be more secure than paper checks, the Treasury and Social Security checks were forged, Ms. Tillman says. Nine times out of 10 with paper checks, she says. The debit-card accounts are protected by PIN numbers.

Write to Eleanor Laise at eleanor.laise@wsj.com

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Direct Express Card Program (cont)

Customer Service Features

- Customer service via telephone (toll-free domestically and internationally) or online 24 hours/day, 7 days a week, including live or interactive voice response (IVR) customer service available
 - Sign up for the card by telephone or online
 - Access to account balance and transaction history by phone or online
 - Request a one-time or monthly paper statements
 - Report a lost or stolen card or unauthorized use of a card
 - Request information about cardholder's account or dispute a transaction
 - Change PIN
 - Transfer funds to a bank account
 - Ask questions about the card
- Cardholder has the option of receiving automated text, email or telephone messages to alert cardholder about deposits and low balance

Cardholder Fees (see attached fee schedule)

- There are no monthly fees and the following services are FREE:
 - point-of sale transactions
 - one free ATM cash withdrawal per deposit; unused ATM withdrawal may be carried over into the next calendar month (ATM surcharge fees may apply outside the Direct Express network)
 - ATM balance inquiry
 - cash withdrawal at financial institution (at the teller window)
 - internet and telephone purchases
 - text, email or auto calls to the cardholder for balance and deposit notifications
 - live or IVR customer service (except as noted below)
 - one replacement card per year
 - account closure
 - ad hoc request for paper statement
- In addition, there are no fees for:
 - overdrafts
 - declined transactions at the POS or ATM
 - inactive accounts (accounts that are inactive for a certain period of time (to be determined) be deactivated and would need to be re-activated by cardholder)

Direct Express Cardholder Fees

CARD USAGE FEES	
Activity	Fee
Monthly Account Maintenance	Free
Card Issuance Fee	Free
Point of Sale Purchase (Signature Transactions)	Free
Point of Sale Purchase (PIN-based, including cash-back)	Free
Number of Free Domestic ¹ ATM Cash Withdrawals Per Deposit, with Carryover to the Following Month	1
Additional Domestic ATM Cash Withdrawal	\$.90
Bank Teller Cash Withdrawal	Free
International ² ATM Withdrawal	\$3.00
Internet and Telephone Purchase	Free
Paying Bills	Free
ATM Balance Inquiry	Free
ATM Decline	Free
POS Decline	Free
Inactivity Fee	Free
International Currency Conversion	3.00%
Overdraft Fee	Free
IVR Fund Transfer	\$1.50
On-Line Bill Pay	\$0.50
CUSTOMER SERVICE FEES	
Activity	Fee
Website	Free
Text Notifications to Cell Phone	Free
Email Customer Service	Free
IVR Customer Service (per IVR call)	Free
Live Operator Customer Service	Free
No of Free Replacement Cards per year	1
Replacement Card (per card)	\$4.00
Expedited Delivery of Replacement Card (per card, in addition to cost of the card, if any)	\$13.50
PIN Reset/Change	Free
Account Closure	Free
Ad hoc Paper Statement upon cardholder request	Free
Optional Paper Statement	\$0.75/month

NOTES:

1. Domestic ATM Cash Withdrawal means a cash withdrawal made at an ATM located in the 50 United States, the District of Columbia, Puerto Rico, Guam or the U.S. Virgin Islands.
2. International ATM Cash Withdrawal means a cash withdrawal made at an ATM which is not located in the 50 United States, the District of Columbia, Puerto Rico, Guam or the U.S. Virgin Islands