

***NEWS RELEASE***  
**FOR IMMEDIATE RELEASE**

**ROBERT L. JOHNSON OUTLINES PLANS TO PROVIDE LOW COST  
PREPAID FINANCIAL PRODUCTS TO UNDERSERVED CONSUMERS**

*Urges Cooperation between Industry and Regulators to Assure Maximum Access to  
Financial Services for the Underbanked*

**BETHESDA, MD//FEBRUARY 23, 2010//** Today, Robert L. Johnson, Chairman of Urban Trust Holdings, Inc., the owner of Urban Trust Bank, delivered the keynote address to attendees at the Prepaid Expo USA in Las Vegas, NV where he outlined Urban Trust's plans and commitment to provide transparent and quality financial products to urban and African Americans who lack and/or are denied access to mainstream financial services.

“Urban Trust’s primary mission is to provide consumers with cost efficient and easily understood financial products and services. We are committed to moving people who don’t have access to traditional financial services away from expensive and confusing alternatives into more affordable and transparent Urban Trust products that will enable them to better manage their financial well being. We believe prepaid products are a key part of achieving this goal and one way in which we are doing this is through the Urban Trust *Success* prepaid Visa card.”

The Urban Trust *Success* card, a low-cost alternative to non-banked products that allows consumers to accomplish a host of financial goals and *Elastic* from Urban Trust, in partnership with ThinkCash, provides consumers with access to emergency cash at a lower fee than non-traditional financial services lenders and overdraft fees are two branded products to help consumers gain more control of their financial well being.

*(more)*

Johnson also noted in his speech efforts to educate consumers on financial literacy as a key objective of Urban Trust's strategy, he said, "Educating consumers through financial literacy is critical and its importance cannot be overstated. As we all know, today's financial marketplace provides an overwhelming array of choices and responsibilities. The more knowledge people have, the more responsibly people will use our products. We are also working with our partners to ensure the same level of transparency in the products we issue."

Mr. Johnson called for an informative dialogue among the financial industry to ensure that consumers are well protected and financial service providers are given an opportunity to be profitable.

He added, "I want to urge regulators, consumers groups and business leaders to work together to find a proper balance between too much regulation and too little. I firmly believe consumers deserve to be protected. I also firmly believe we deserve to make a reasonable profit, provided we offer products that are easily understood and cost efficient."

**Editors Note:** Mr. Johnson's speech: "Customer Focused Solutions: Responsive and Transparent" is available on line at [www.rljcompanies.com](http://www.rljcompanies.com) and [www.urbantrustbank.com](http://www.urbantrustbank.com).

**About The RLJ Companies:** *The RLJ Companies, founded by Robert L. Johnson is a diverse portfolio of companies in the financial services, asset management, real estate, hospitality, professional sports, film production, and gaming industries. An innovative business network, The RLJ Companies seeks to target undiscovered or underserved markets; then exercise solid management to achieve results. The RLJ Companies is headquartered in Bethesda, Maryland, with operations in Charlotte, Los Angeles, Florida, Puerto Rico, and Monrovia, Liberia. Media Inquiries: Traci Otey Blunt, The RLJ Companies at 240.744.7858 or [press@rljcompanies.com](mailto:press@rljcompanies.com)*

**About Urban Trust Bank:** *Urban Trust Bank (UTB) is a federally chartered community-oriented bank that provides value-oriented, common-sense banking and mortgage services through a network of branches in Florida and the Washington, DC region. UTB is developing a suite of products to empower individuals and families in diverse communities who have been underserved by traditional financial institutions. UTB is among the largest African-American controlled banks in the country and has been highlighted in national and local media, including The Washington Post, CNBC, The Wall Street Journal, The Orlando Business Journal, and USA Today. UTB is designated as well capitalized by the Office of Thrift Supervision the highest possible capital rating. For more information visit Urban Trust Bank online at: [www.urbantrustbank.com](http://www.urbantrustbank.com)*



## *Customer Focused Solutions: Responsive and Transparent*

*Robert L. Johnson  
Founder & Chairman, The RLJ Companies  
Chairman, Urban Trust Holdings*

*Prepaid Expo USA  
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Las Vegas, NV*

Thank you very much for that kind introduction. It is a real pleasure to be with you today.

Some of you may know me as the entrepreneur who founded and built Black Entertainment Television. When I created BET, I did so because I saw an opportunity to provide consumers with programming content that was not available on existing cable channels. I believed then, as I do now, and BET proved this, that you can create *significant value* by targeting consumers in industries where they have been underserved or ignored.

Since selling BET in 2001, I have focused my attention on other industries where minority ownership and the opportunity to serve Urban Americans is warranted. The company I created is The RLJ Companies, which is my holding company that has invested millions of dollars in financial services; private equity; hotel real estate; and the automotive industry.

Today, I am speaking to you as the Chairman of Urban Trust Holdings, the Holding Company for Urban Trust Bank headquartered in Orlando, FL. I would like to talk to you about our plans and our commitment to offer quality financial products that will serve as critical tools for millions of urban and African Americans who are currently struggling to fully participate in the American Dream.

Our nation's economy is confronting *major* structural challenges, the likes of which we have not seen since the Great Depression. The financial industry, of which we are all a part, faces some particularly *daunting economic and political challenges*. No matter what my opinion or your opinion is regarding our collective responsibility in contributing to this country's economic problems, the perception of our industry among consumers, elected officials and opinion leaders has grown increasingly negative. I believe it is our collective responsibility to offer the leadership to reshape the financial services landscape in ways that change this nation's perception of our industry.

To do this, we must become dedicated to providing the financial products to meet the urgent needs of today's consumers.

We must deliver products that are first and foremost fully transparent, cost efficient and responsive to the economic realities of our customers.

Today, I want to talk to you about what we at Urban Trust are doing to meet these objectives. We have adopted three principles to guide us in this effort:

**(1) Understanding what the consumer really wants and needs;**

**(2) Partnering with organizations that share our economic and social vision and commitment; and**

**(3) Building awareness among all our stakeholders, including our industry's critics, of what we are trying to achieve in order to create a financial marketplace that is accepted as fair and equitable to all participants.**

Today's economic environment is having a profound negative impact on millions of Americans, disproportionately those with lower incomes and net worth.

Home ownership and the financial security that comes with it have become increasingly difficult to maintain and may no longer be a guaranteed part of the American Dream.

A recent study by the *Economic Policy Institute* found that the median net worth for African Americans was \$11,800 compared with \$118,000 for whites. When home equity was subtracted, African Americans had \$300 in net assets while whites had \$36,000.

In metro Orlando, where Urban Trust Bank is headquartered, about 47 percent of African Americans are homeowners, compared to 74 percent of whites. This gap is likely to widen even more as the mortgage crisis costs black families their homes. As foreclosure numbers continue to grow, and credit card companies tighten requirements and raise fees, it is pushing many struggling consumers out of creditworthiness and in some cases into bankruptcy.

These economic realities do not change the fact that people still *need* access to reasonable financial products. In fact, in this environment people need these resources now more than ever.

Unfortunately fewer people are going to be financially eligible for high priced financial services and those who are will pay a higher premium for even the most basic of services.

For example, an estimated 60 million adults – one quarter of U.S. households -- either don't have a bank account or use non-bank financial services according to the FDIC's *National Survey of Unbanked and Underbanked Households*. The members of these households which include many urban Americans rely on alternative financial providers to cash paychecks, pay bills, and meet their other financial needs. These services often come with a high cost. Check cashing, payday loans, and money transfer services combined are a \$27 billion market that serves 35% of the U.S. population. Many of the consumers who rely on these services do not have banking relationships because of previous problems with banks or they've been forced out of the system because they are considered high risk customers or they simply do not want to utilize the banking system as it exists today.

They do not trust a system long known to apply confusing rules, hidden fees and lack of flexibility. Clearly there is an urgent need to change these statistics.

**The first and arguably most important step in this process is listening to and understanding the needs of the consumer and what they want from our industry.**

Let's talk about a single female head of household living in an urban community. She has no banking relationship and gets paid weekly. Every week this person has to go to a check casher and will pay, on average, about \$39 to cash their check. They also have bills to pay and with no checking account they have to purchase money orders, which even at the post office is going to cost about \$1.50 plus postage -- so to pay five bills this person is out another eight dollars. If they have family in another part of the country or even overseas, they could also incur the cost of steep fees for transfers to family that depend on them. Lastly, what is not spent away in fees is kept in cash which can be stolen or lost.

My business objective and my commitment is to provide consumers like this with reasonable, reliable, and transparent access to financial resources and to help bring them into the financial mainstream. I understand these needs because I grew up in a family of 10 kids with working class parents and our family understood what living from paycheck to paycheck meant.

When there was a problem with the car, if you didn't have \$200 for the mechanic, you hitched a ride to work and if something happened to the heat in the winter and you couldn't afford the money to fix it, you were cold. Honest and hard working Americans shouldn't have to make these difficult choices.

At Urban Trust, our *commitment* is to move people who don't have access to mainstream financial services away from expensive alternatives into more affordable products that enable them to better manage their financial well being. We have built a branch network primarily located within Wal-Mart Super Centers. We have thousands of consumers walking past our branches every month in the course of their shopping routine. We offer "Opportunity Checking" for customers that might not otherwise qualify for a checking account.

Opportunity Checking comes with a monthly fee and no ability to overdraft. After a period of time, a customer may move to a free checking account. Nearly 20 percent of our customers with checking accounts have an Opportunity Checking account – a clear indication of demand.

We have an overdraft policy that is consumer friendly and meets or exceeds the guidelines established by our regulators.

We believe prepaid products are a key part of that same mission and therefore have introduced a suite of branded products and financial tools for our customers to help them gain more control of their finances.

The *Urban Trust Success Prepaid Visa* card is a fairly priced no nuisance fee product intended to serve our customers in a fair and transparent manner. It was designed with Visa to be a low-cost alternative to non-banked products currently targeting the underbanked with an emphasis on the urban market.

The *Success* card allows our customer to accomplish basic financial services like depositing a paycheck at no cost, utilizing available ATM networks, and peace of mind in knowing that the money on the card is protected.

Our goal was to create a tool that could easily and affordably be integrated into the financial requirements of those most in need of these services. The *Urban Trust Success* card will replicate the features of a traditional checking account and will also put hundreds of dollars in fees back into the pockets of cardholders.

**The second cornerstone involves finding partners like Visa who share our vision, and have the ability and creativity to help us to expand the choices for the consumer.**

A prime example is our strategic partnership with ThinkCash.

In exploring alternatives to rapidly disappearing credit and expensive alternatives, and to address the needs, we examined a variety of microlending, overdraft and short-term lending strategies.

The idea of micro-lending was pioneered in less developed countries and enables people to borrow in small amounts, anywhere from \$10 to \$50. Micro-lending has fueled economic opportunity in some of these communities.

If creative borrowing solutions could spur growth in the developing world, surely there are solutions that can work in our urban communities that don't involve onerous fees or insurmountable interest rates.

*Elastic from Urban Trust Bank* provides access to emergency cash cheaper than non-traditional financial service lenders and overdraft fees.

With *Elastic*, consumers can instantly get needed cash and deposit it to their *Success* card or to a checking account. Successful payments are reported to major credit bureaus to help customers get on the road to mainstream credit. So far the customer response to the product has been great. In fact, 85% of our customers are very to extremely satisfied with the *Elastic* product.

We are also partnering with community organizations that share our passion for creating opportunities to empower traditionally overlooked communities.

Urban Trust is working with Pastor DeForest B. Soaries, the senior pastor of First Baptist Church of Lincoln Gardens in Somerset, NJ to make a prepaid card a critical part of his church financial literacy "DFree" Program.

Aptly titled, DFree stands for "Debt, Deficit and Delinquency Free" and a prepaid card is the perfect tool for the program-and we are excited to partner with community organizations that bring the energy and resolve needed to promote responsible use of credit as well as financial literacy.

The *Urban Trust Success card* and *Elastic from Urban Trust* and are just some of products that represent better solutions for tens of millions of Americans. But it's only a start – over time we'll be adding new products to help these consumers gain more control over their financial needs. I look forward to partnering with other companies in this room that share our vision.

We hope to be viewed as a banking partner that provides operational and compliance vigor to each partner's program as well as a focus on mutual success.

**Thirdly, the business plan we are pursuing requires an informative dialogue with all stakeholders including those who may not understand the benefits we are offering to every day Americans.**

Many Americans have grown weary or afraid of a financial system they feel has sold them complicated and over-priced products with fees they didn't expect or understand. Transparency should be the principle that guides us all.

The relationships we create with our customers must be mutually beneficial and create meaningful and ongoing value in the lives of consumers.

For example, at Urban Trust Bank our checking accounts, CDs, money markets, prepaid cards and all of our financial products will be *absolutely* transparent. There won't be hidden or confusing fees or language consumers can't understand.

We invite industry critics and watchdogs to evaluate our products by comparing them to existing alternatives. We believe when customers have adequate information, they can make the best decisions for themselves.

We want to communicate this message to legislators, regulators, consumer groups by stating, you have to let the marketplace reach these customers. If you tighten the requirements in the marketplace to the point that no one can earn a fair return for offering financial products, you're basically denying products to people who deserve and can qualify for them.

*While I believe that our legislators and regulators often act with good intentions, sometimes the most dangerous law of all is the law of unintended consequences.* Most credible studies on alternative financial services products have reached the same conclusion: Regulation that eliminates consumer choice has been ineffective at best and at worst harmed and restricted financial access for millions of Americans.

It is our responsibility to communicate the benefits of our respective products and features honestly, in language our customers can understand. It is also our duty to engage critics and consumer groups to ensure they truly understand the value and benefits of our products.

More specifically, educating consumers through financial literacy is critical and its importance cannot be overstated. As we all know, today's financial marketplace provides an overwhelming array of choices and responsibilities. It is unrealistic for any of us to expect people to truly understand the implications of the choices they make and products they use.

**So we must be transparent and we must educate.** The more knowledge people have the more responsibly people will use our products. I am personally committed to ensuring that the products developed and championed by Urban Trust Bank are delivered in an open, transparent, cost-effective manner and are presented with the financial education to drive responsible usage.

I have been fortunate to achieve a level of success that enables me to be a voice for entrepreneurs and for my community. I intend to use my voice to talk about the availability of financial products and appropriate levels of credit and to talk about the need for urban consumers to better understand how to manage their financial future.

I also plan to maintain an open dialogue with regulators, legislators, and consumers advocates to make sure they understand how critical our financial products are to consumers who need them and use them every day. I want to urge regulators, consumers groups and business leaders to work together to find a proper balance between too much regulation and too little. I firmly believe consumers deserve to be protected.

I also firmly believe we deserve to make a reasonable profit, provided we offer products that are easily understood and cost efficient. I am convinced we can become part of the economic solution and make a difference in the lives of millions of consumers by providing access to quality financial services that will contribute to overall economic prosperity and individual financial security for all of our customers.

Allow me to conclude by commending the *Prepaid Expo USA* conference organizers for hosting this conference and giving me the opportunity to share my views.

Thank you.

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