



# Case Study

A BSG FINANCIAL CLIENT SUCCESS STORY

## Regulators Praise First United Bank's Courtesy Overdraft Program, OverdraftHonor®

### The Challenge

*In early 2004, First United Bank began experiencing decreased margins between deposits and loans. In order to replace revenue, the bank determined fee income would make the strongest impact on profitability.*

*Jeff DeYoung, vice president of marketing and retail for First United Bank, was charged with finding the best solution to meet the fee income objective, while also providing a beneficial service for its customers. The bank decided a responsible, compliant courtesy overdraft program would be the best fit.*

*"After searching, researching and asking for references from several other overdraft providers, we chose BSG Financial, because of its industry-wide reputation for providing a conservative overdraft management program. As a community bank, this is the best approach we can take for our customers. There are other companies that offer overdraft protection, but only BSG Financial has the software, technical support and industry experience to back it up."*

**WHO:** First United Bank, Crete, IL (\$436 million in assets)  
Jeffery DeYoung, Vice President, Marketing and Retail

**WHEN:** Customer since July 2004

**WHAT:** First United Bank implemented BSG Financial's OverdraftHonor®, a comprehensive courtesy overdraft management system, to simplify overdraft management procedures, expand its product offerings, and increase fee income. First United Bank also receives the added benefit of complete compliance with federal guidelines, which was verified by FDIC regulators who were impressed with the program's thorough Best Practices.

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### The Solution

Since First United Bank implemented BSG Financial's OverdraftHonor®, it has seen increased efficiency for staff members, who benefit from the automated decisioning and customer contact features; and from customers, who are grateful for a service that is sensitive to inadvertent overdrafts.

Most notably, in December 2005, First United Bank saw a **120 percent increase in fee income**—its largest increase of this kind to date. In addition, revenue from the program has consistently been **60 to 65 percent higher** than before OverdraftHonor was implemented.

**“FDIC regulators commented that... (our) overdraft program was the *best* they had seen *in meeting regulatory requirements.*”**

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in fee income.

“BSG Financial provides an excellent opportunity for First United Bank to enhance revenue sources,” said DeYoung. “Other companies just don’t have the same fee allowance that BSG offers.”

Although First United Bank expected to see an increase in fee income and customer satisfaction through offering OverdraftHonor, the bank was most impressed when its overdraft program **received praise from FDIC regulators for being in complete compliance** with the final guidance [on overdraft programs] Best Practices.

“Above anything, what impresses me the most about OverdraftHonor is the emphasis on compliance,” said DeYoung. “During a recent bank review, FDIC regulators commented that within the past year, First United Bank’s overdraft program was **the best they had seen in meeting regulatory requirements**,” continues DeYoung. “We have total peace of mind that BSG Financial will always be a step ahead of any new regulations to ensure we are in full compliance.”

#### About BSG Financial, LLC

Louisville, Ky.-based BSG Financial develops and manages innovative, profit-enhancing programs for financial institutions nationwide. Its flagship program, “The Responsible Approach,”<sup>™</sup> uniquely provides the industry’s first outsourced, Web-based solution for courtesy overdraft management, CourtesyConnect,<sup>™</sup> as well as the in-house OverdraftHonor<sup>®</sup> program.

These “Responsible Approach<sup>™</sup>” programs offer revenue enhancement, a conservative approach to customer and risk management, as well as ongoing technical and customer service. In addition, BSG Financial offers other profit-enhancing programs that increase retail account openings; outsource collections; repair damage caused by identity theft; and help business customers potentially double collections on bad checks. BSG Financial is privately owned and has offices in Kentucky, Texas, Massachusetts, and Pennsylvania.

TO LEARN MORE ABOUT  
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