

Case Study

A BSG FINANCIAL CLIENT SUCCESS STORY

Nassau Educators Federal Credit Union Expands Service to Members with BSG Financial's OverdraftHonor®

The Challenge

Founded in 1938, Nassau Educators Federal Credit Union (NEFCU) is a Westbury, N.Y.-based credit union with \$918 million in assets, serving more than 100,000 members.

NEFCU had a growing need for programs and marketing services to help improve member satisfaction and maintain member retention, while increasing profitability.

Anthony Costa, NEFCU Manager of Collections and Loan Servicing, along with other credit union executives, sought a company that could provide a responsible overdraft management program that would both increase its level of service to members and improve its bottom line.

"We searched for six months for a company that could provide the most in profit-enhancing programs," said Costa. "After visiting the BSG Financial trade show booth at the 2003 Credit Union Executives Society (CUES) annual conference, we knew that its programs had the conservative approach, member acceptance and revenue generation we were looking for in an overdraft protection program."

WHO: Nassau Educators Federal Credit Union, Westbury, N.Y.
Anthony Costa, Manager of Collections and Loan Servicing

WHEN: May 2004–Present

WHAT: Nassau Educators Federal Credit Union implements BSG Financial's OverdraftHonor®, a comprehensive overdraft management system adhering to Final Guidance best practices and designed to provide expertise, policy, procedure, regulatory guidance, training and software.

Contact: Elizabeth Salter
(678) 781-7224
elizabeth@williammills.com

Rachel Melendez
(678) 781-7226
rachel@williammills.com

The Solution

In December 2003, NEFCU purchased BSG Financial's OverdraftHonor® and successfully implemented it in May 2004. NEFCU's challenges were best met with OverdraftHonor, because of its time-efficient and comprehensive overdraft management program that benefits both staff and members. OverdraftHonor enables NEFCU to strengthen member relationships by offering a full-featured, responsible courtesy overdraft service that is sensitive to a member's inadvertent overdrafts and cash management dilemmas. The consumer-centric program takes a conservative, or "Responsible Approach," to member contact and management, and as such, is completely compliant

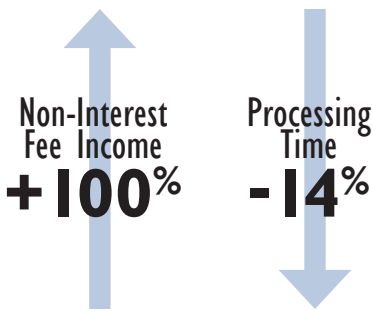
with federal guidances.

"BSG Financial was able to provide us with a means to an end," explains Costa. "Its professional staff was always willing to accommodate any of our servicing and technical needs in order to build a strong and responsible courtesy overdraft program. OverdraftHonor provided the necessary tools to pay more overdrafts, giving members a new appreciation of how much we value their business."

The Result

Since NEFCU first implemented BSG Financial's OverdraftHonor, it has seen marked success in both time and money saved in the evaluation and execution of prudent pay/return decisions on daily overdrafts. The

Nassau Educators Federal Credit Union, cont.



credit union *has increased non-interest fee income by 100 percent* since May 2004 and *saved approximately 14 percent of time* in processing returned checks. More importantly, OverdraftHonor[®] has saved its members the embarrassment of dealing with bounced and/or returned checks, while emphasizing member protective practices.

“NEFCU has seen improvement in its service to its members and an increase in the bottom line with OverdraftHonor,” said Costa. “BSG Financial is an excellent company to work with. They have a true credit union philosophy on the forefront of people helping people.”

About Nassau Educators Federal Credit Union

With assets of more than \$918 million, Westbury, N.Y.-based Nassau Educators Federal Credit Union has grown from a handful of school employees to more than 100,000 members. NEFCU’s field of membership has expanded to include employees of Nassau County schools, colleges, universities, public libraries, other professional groups, their families and retirees. The credit union has also joined with other Long Island credit unions in the CU Service Center shared branching concept to bring members even more locations to perform most teller transactions.

For more information about Nassau Educators Federal Credit Union products and services, visit www.nassaued.org.

About BSG Financial, LLC

Louisville, Ky.-based BSG Financial, is a provider of programs and marketing services to the financial industry that help increase profitability, while enhancing customer relations.

Its flagship program, OverdraftHonor[®] is a proprietary courtesy overdraft program unique in its responsible approach to customer and risk management, profitability and ongoing technical and customer service. BSG Financial also offers other profit-enhancing programs that: increase retail account openings; outsource collections; repair damage caused by identity theft; and reduce institutional costs.

BSG Financial is privately owned and has offices in Kentucky, Texas, Florida, Massachusetts, North Carolina and Pennsylvania.

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