



BSG Financial Group™

# The

# ‘Edge’

CourtesyConnect®/CourtesyLimit™



*BSG Financial Group has built the industry's most robust automated overdraft management system so your institution can administer this valuable service as a line of business—optimizing income generation, managing risk and providing a higher level of service to your account holders.*

**The key features and procedures** that set BSG Financial Group's CourtesyConnect®/CourtesyLimit™ solution apart from our competition.

## Setting & Maintaining Overdraft Limits

Instead of assigning fixed overdraft limits that are based on limited risk metrics (such as type of account), CourtesyConnect®/CourtesyLimit™ establishes a risk profile for each account and assigns individualized overdraft limits that align with the account holder's ability to repay at any given time. The software automatically calculates these dynamic limits based on more than 20+ account holder data points (like deposit activity and related balances) and an unlimited number of scoring matrices.

The result is a personalized overdraft privilege service that—one that pays more items for those account holders who appreciate and can afford the service, while pulling back on overdraft limits for those account holders whose ability to repay has diminished—while also saving your institution time making fewer pay/return decisions.

## Ongoing Risk Management

A key differentiator from many competitive solutions, CourtesyConnect®/CourtesyLimit™ software evaluates portfolio risk daily at the account level using advanced algorithms. This analysis allows your institution to take action

such as adjusting overdraft limits, suspending the service, suggesting counseling, etc. to help you better manage revenue loss, while also adhering to the appropriate regulatory guidance:

**2005 Joint Guidance on Overdraft Protection Program**—*Institutions should monitor these accounts on an ongoing basis and be able to identify consumers who may represent an undue credit risk to the institution. Overdraft protection programs should be administered and adjusted, as needed, to ensure that credit risk remains in line with expectations.*

**2011 OCC Proposed Guidance on Deposit Related Consumer Credit Products**—*Changes in customer usage should be regularly monitored to identify risk. Appropriate action should be taken to address any risks that are identified including excessive usage and nonperformance, such as reassessing a customer’s creditworthiness; adjusting credit terms, fees or limits; suspending or terminating the credit feature; or closing accounts.*

Outdated overdraft systems simply cannot provide the level of sophistication that the CourtesyConnect®/CourtesyLimit™ software provides. However without it, your institution is at risk for higher charge-offs and at a loss when justifying overdraft limits to regulators.

## Debit Denial and Reg E Tracking

The CourtesyConnect®/CourtesyLimit™ software tracks account holders who experience debit/ATM transactions denied for reason of NSF. This data allows your institution to contact the account holder at the most optimal time, immediately after the event occurs, to communicate the reason for the denial and also discuss Reg E options. A personalized response is valued by account holders and can lead to more informed decisions—as well as potentially more income—as more account holders choose to opt in to Reg E.

## Dynamic Communications

Another way your institution manages risk, as well as retention, is through the unique CourtesyConnect®/CourtesyLimit™ communications module. The software identifies customers based on their overdraft and other account activities and automatically produces custom messaging (by phone call, email and/or letter) about service alternatives, repayment plans, counseling, or to simply connect and say “we care.” For example, no longer will your account holders receive generic OD/NSF notices that simply state the facts. CourtesyConnect®/CourtesyLimit™ messages are personal and delivered at just the right time to be relevant to the account holder, which helps enhance account holder relations, maximize collections, retain account holders and manage risk.

## Robust Reporting

Regulatory guidance stipulates that financial institutions must accurately report and track account holder NSF activity, including activity deemed excessive. However, there is a difference between reporting ‘what’ happened and the ability to determine ‘why.’

The CourtesyConnect®/CourtesyLimit™ software analyzes your entire transaction account portfolio on a daily basis and provides multiple ways to view it. Valuable insight into channel data, pay ratios,

waivers/refunds/charge-offs, balance aging, frequent users, etc. arms your institution with the ability to predict risk, identify opportunities and more effectively manage of this line of business.

In addition to a full library of standard, pre-configured reports, BSG Financial Group also routinely creates custom reports at our clients’ request to help them meet their unique institutional objectives.

## Operating Environment

With vast improvements in the ability to meet high security and compliance standards, financial institutions are realizing the benefits of the ‘cloud’ and adoption is on the rise. Many institutions have moved critical and non-critical applications to a hosted solution, providing ease-of-use and maintenance, and low cost of ownership. BSG Financial Group was at the forefront of this movement, developing CourtesyConnect®/CourtesyLimit™ as a private cloud-based application more than 10 years ago. Institutions that embrace cloud technology are more agile at addressing many technology and process management challenges, as well as meeting changing customer demands.

## Consultative Approach

BSG Financial Group distinguishes itself from other overdraft providers by the level of ongoing consulting we provide to our clients AFTER the sale, beginning with a complete review of your institution’s current overdraft practices and procedures and recommendations for enhanced account holder experience, efficiency and revenue.

Implementation of CourtesyConnect®/CourtesyLimit™ consists of a team of skilled consultants that manage every phase of the process, including onsite employee training. Software training is unlimited.

Ongoing support includes resolution of technical issues in a timely manner, as well as guidance regarding strategic issues, such as communication and collection practices, overdraft limit matrices, Reg E opt-ins, etc. Our published set of Best Practices acts as a guide to help your institution administer the program in a fully compliant manner.

Finally, BSG Financial Group separates itself from other vendors by conducting an annual program performance review with each client. This comprehensive program evaluation guides the institution in answering these questions:

- Are you providing the highest level of service to your account holders?
- Are you maximizing revenue?
- Are you compliant?

BSG Financial Group’s reporting capabilities, compliance expertise and proven methods of success ensure the answer to all three of these questions is a definitive, “yes.”

Request a demo of BSG Financial Group’s CourtesyConnect®/CourtesyLimit™ software at  
[www.BSGFinancial.com/DEMO](http://www.BSGFinancial.com/DEMO).