

Breakout II: Digitally Bring Top- Tier Borrowers Back Into Your Communities

#A0BA23

Philip Jordan

BIBANK

Bill LaVigne

The Bank of Elk River

Dustin Walker

CNB Bank

Moderated by:

Meghan Crawford

BHG Financial

Strategic Partnerships

Digitally Bring Top-Tier Borrowers
Back Into Your Communities

Meghan Crawford | PRESIDENT, BANK DIVISION | BHG FINANCIAL

01/30/2023- 2:20PM





INTRODUCTION

Meghan Crawford

President, Bank Division
BHG Financial | Syracuse, NY



Meghan Crawford serves as the President of Bank Division at BHG Financial. Overseeing the sales strategy across bank partnerships and strategic partners, Ms. Crawford leads a national sales team focused on growing premium revenue and enhancing client experience while driving market development.

Since joining BHG in 2015, Ms. Crawford has generated and serviced relationships with tens of hundreds of community banks nationwide and managed the sale of billions in financing of highly-skilled professionals to institutional buyers.

Within the banking industry, Ms. Crawford also serves as a member of various state and national bank associations, including the American Bankers Association and the Independent Community Bankers Association. Ms. Crawford also sits on the Board of Directors for Pathfinder Bank (NASDAQ: PBHC) and risk advisory firm, Risk Management Solutions Group.



PANELISTS

Philip Jordan

Executive Vice President, Chief Banking Officer
B1BANK | Baton Rouge, LA

Bank Asset Size	\$5.8B
BHG Customer Since	2017
Total Purchased from BHG	\$22.5MM
Interest Earned to Date by BHG	\$2.6MM



PANELISTS

Bill LaVigne

Chief Operating Officer
The Bank of Elk River | Elk River, MN

Bank Asset Size	\$628.5MM
BHG Customer Since	2016
Total Purchased from BHG	\$20.7MM
Interest Earned to Date by BHG	\$2.5MM

PANELISTS



Dustin Walker

Executive Vice President
CNB BANK | Carlsbad, NM

Bank Asset Size	\$613.7MM
BHG Customer Since	2019
Total Purchased from BHG	\$55.3MM
Interest Earned to Date by BHG	\$1.7MM

**The Federal Reserve has stated that it
"supports responsible innovation that provides
community banks access to new technologies while
ensuring the safety and soundness of the institutions
and the protection of consumers."**

Released by the Federal Reserve on Community Banking in September 2021:
<https://www.federalreserve.gov/publications/community-bank-access-to-innovation-through-partnerships.htm>

On embracing bank/fintech partnerships:

"Access to technology and services to meet customer needs is critical to ensuring community banks remain vibrant."



MICHELLE W. BOWMAN

Federal Reserve Board Member, 2020

Innovation Drives Success

2001

With \$25k in capital, Al Crawford, Eric & Robert Castro founded Bankers Healthcare Group

👤 <10 💰 \$3M 🏠 5

2003

First in-office visit from regulators. Since inception, BHG adopted an open-door policy (Regular annual exams with FDIC & TN)

👤 <20 💰 \$17M 🏠 39

2012

Formation of BHG Data & Analytics Division, led by Juan Carlos Ortigosa

👤 150+ 💰 \$215M 🏠 420

2014

- Consumer loan program launched
- Launch BHG Power Mastercard credit card

👤 200+ 💰 \$310M 🏠 492

2015

- Sold 30% ownership to Pinnacle Financial Partners

👤 250+ 💰 \$456M 🏠 575

2016

Pinnacle purchases an additional 19% share, increased stake to 49%

👤 300+ 💰 \$610M 🏠 725

2018

Launched Fund-Ex Solutions Group, 1 of 14 non-bank SBA lenders

👤 350+ 💰 \$872M 🏠 941

2021

- LOS: Developed proprietary Loan Origination Solution, that automates and enhances the complete borrower experience
- Launched RMSG, led by a regulatory team of 25

👤 1200+ 💰 \$2.8B 🏠 1406

2020

- BHG announced first ABS transaction with Credit Suisse: \$170MM
- BHG goes fully remote, sources the best talent across 40 states

👤 800+ 💰 \$1.7B 🏠 1211

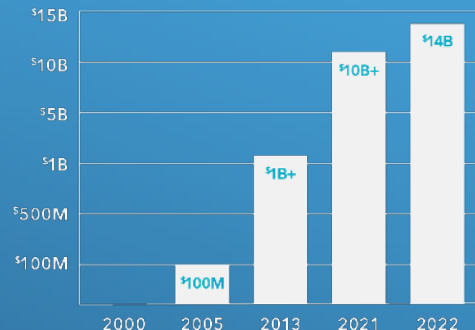
2019

Participated in a joint Innovation Lab exercise with TransUnion, to form consumer lending rScore.

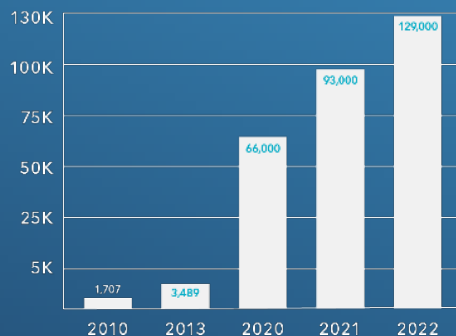
👤 500+ 💰 \$1.4B 🏠 1073



Funding Growth



Borrowers Reached





2022 AND BEYOND



THE LARGEST NETWORK IN THE COUNTRY

**1,500 nationwide
bank partners**

**30% of banks across
the US have purchased
a BHG loan**



STRENGTH IN NUMBERS Data & Analytics team grows to 170+



OFFERING MORE

Diversified back-end funding

Cumulative ABS offering
total stands at \$2B



RECOGNIZED BY AICPA InfoSec Team receives SOC 2 Type 2 Rating



BRAND LAUNCH Lending-as-a- service solution



BRAND LAUNCH Point-of-sale financing



BRAND LAUNCH Commercial & consumer lending

Company Accolades

**16X
WINNER**



**5X
WINNER**

2022
GREAT PLACE TO WORK®
**Best Workplaces
in Financial Services
& Insurance™**

**4X
WINNER**

2022
GREAT PLACE TO WORK®
**Best
Workplaces
for Millennials™**

**3X
WINNER**



**2X
WINNER**

2022
GREAT PLACE TO WORK®
**Best
Workplaces
for Women™**



**A proud, first
achievement
for BHG in 2022**

BENEFITS OF STRATEGIC PARTNERSHIPS



Complementary Partners

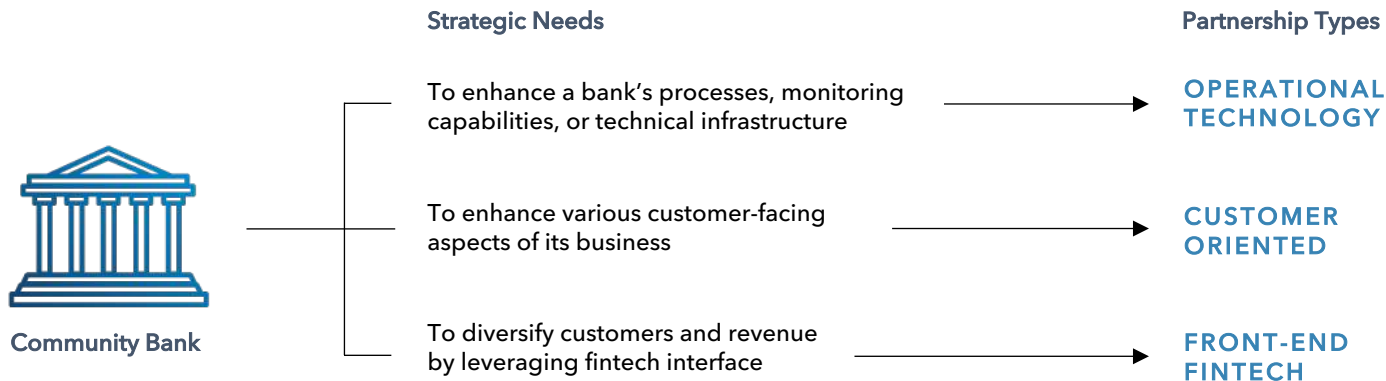
**In the next 3 to 5 years,
82% of banks expect to
partner with fintechs**



<https://www.pwc.com/id/en/not-migrated/majority-of-global-financial-services-companies-plan-to-increase.html>

Strategic needs a community bank might consider when partnering with a fintech

Each partnership type between a community bank and a fintech targets specific needs and objectives of a community bank.



"Community Bank Access to Innovation through Partnerships" publication released by the Fed in September 2021.

Open discussion



Meghan Crawford
BHG Financial
Syracuse, NY



Philip Jordan
B1Bank
Baton Rouge, LA

BHG Bank Network
member since 2017



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The Bank of Elk River
Elk River, MN

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Thank You

