bmgmoney

October 24, 2022

Presentation to:

BROWARD COUNTY FLORIDA

Bid GEN2124409P1
Voluntary Emergency Loan Program

Thank you!

We are grateful for the opportunity to make this presentation and participate in Bid GEN2124409P1. But more importantly, we are so proud to have partnered for many years with the County to combat predatory payday loans and improve the financial well-being of your employees:

BMG Money

+

Broward County

Summary of Our Proposal – The Same, but Better!

- We have been a **trusted partner** to Broward County **for many years**. None of that will change. We know your employees, your preferred approach, and your payroll and benefits practices.
- There is **no need to "implement"** our solution. We know Broward County's needs, and we will continue to meet them. Your way, not ours…
- But the *LoansAtWork* program will improve – rewarding the County for its loyalty, guaranteeing your employees have **nothing less than the best** – no other employer client's employees will have a better solution –

Annual interest rate – lowered to 19.99% fixed

Annual wellness contribution – $10,000 per year

Free credit score monitoring – all participating employees

County CFO – discretion to increase loan amounts, terms

BMG Money is the Right Choice

BMG Money offers the County better terms than we have yet offered to any other client's employees – and we have the wherewithal to meet the County's expectations...

BMG Money

- No other vendor has anywhere near the number of employer clients or employee customers – we are the **experienced** choice
- We have made $2.2 Billion of loans and been a proud partner of Broward County for many years – we are the **responsible** choice
- Our team is bigger and better than any – we are the **reliable** choice
- We are already implemented with Broward County – we are the **easy** choice

not

Other Proposer

- Other than some claims about intending to add new clients soon, their proposal mentions only **a few hospital systems in Louisiana**
- Comparing actual loan volume set forth in the proposals, **BMG Money has more than 27X more experience**
- 8 employees is simply not enough to responsibly and securely implement and service Broward County and its specific requirements – **our team is 10X larger** than theirs

EVALUATION CRITERIA SECTION 1.1 - Ability of Professional Personnel - Employees

5 points

- BMG's team has the qualifications and relevant experience to ensure an **excellent quality of professional services for the County**
  - **80 employees** – management, employer client services, and employee customer services employees – **78 employees in South Florida**
  - Despite our recent growth, **18 employees** have **more than 2 years tenure**
  - Turnover amongst the Broward County client team has been ZERO for many years – Tom and Jose are Lisa's main points-of-contact – **we're not going anywhere!**

EVALUATION CRITERIA SECTION 1.2 - Ability of Professional Personnel - Key Team Members

5 points

- BMG's Broward County leadership team is **without peer**
  - **Tom McCormick** – no person in the U.S. has more experience with employment-based lending – since 2001 – and he has been with Broward County since Day 1
  - **Jose Patino** – knows Broward County's special needs backwards-and-forwards
  - **Chad Jorgensen** – heads government sales for BMG Money – can back up Tom on a moment's notice
  - **Brendan Murphy** – manages employer client services for dozens of government clients in Florida alone

EVALUATION CRITERIA SECTION 1.3 - Ability of Professional Personnel - Government Clients

5 points

- No other organization has anywhere even near comparable experience with governmental and/or public entities
    - **BMG Money** – more than **70 government/public entity clients** (most in Florida)
    - **Other Proposer** – according to their proposal – **NONE**

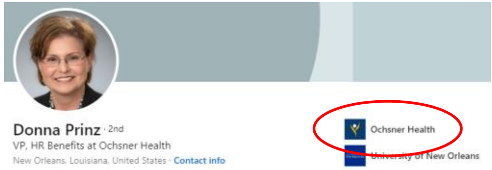
<u>Sample Clients Similar in Size – Florida Only</u>

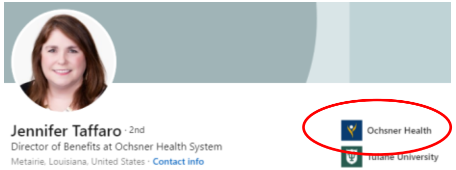
EVALUATION CRITERIA SECTION 1.4 - Ability of Professional Personnel - References

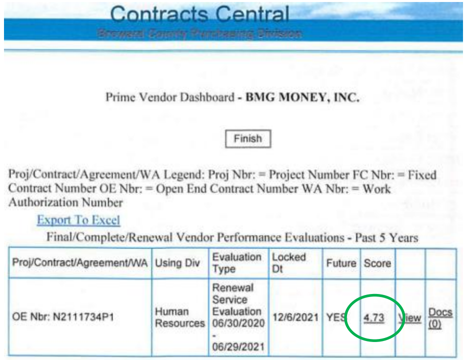
5 points

- BMG provided 3 references – all of them **unanimously “Excellent”**

- Other Proposer provided 3 references – two of them from related entities, and one of them **only “Satisfactory”**







Contracts Central

Broward County Purchasing Division

Prime Vendor Dashboard - **BMG MONEY, INC.**

Finish

Proj/Contract/Agreement/WA Legend: Proj Nbr: = Project Number FC Nbr: = Fixed Contract Number OE Nbr: = Open End Contract Number WA Nbr: = Work Authorization Number

Export To Excel

Final/Complete/Renewal Vendor Performance Evaluations - Past 5 Years

Proj/Contract/Agreement/WA	Using Div	Evaluation Type	Locked Dt	Future	Score		
OE Nbr: N2111734P1	Human Resources	Renewal Service Evaluation 06/30/2020 - 06/29/2021	12/6/2021	YES	4.73	View	Docs (0)

Of course, our proudest reference is from Broward County, which gave us a near-perfect 4.73 rating on our most recent evaluation!

EVALUATION CRITERIA SECTION 2 - Program Interest Rate

24 points

Interest Rate	24.00% or higher	23.00-23.99%	22.00-22.99%	21.00-21.99%	20.00-20.99%	19.00-19.99%	18.00-18.99%
Points	0	4	8	12	16	20	24

Standard rate for loans with no credit check, maximum amount charged for any employee, and based on a simple interest loan: **19.99% fixed + $0 fee = 20 points**

- "Simple" interest - unlike many credit cards, no compounding - no interest-on-interest
- BMG's interest rate is fixed - will not rise with Prime Rate or ever increase
- BMG will NEVER charge any origination fees or "penalty rates"
- BMG does not offer deceptive introductory "teaser" rates that start low and increase over time

VERY IMPORTANT

- Other Proposer:

  18.99% + $25 fee on ALL loans

- Because of the fee, the effective APR on their loans will always be **MORE THAN 18.99%!**
  - $5,000, 2-yr. loan will have effective APR of approx. 19.43%
  - $1,000, 1-yr. loan will have effective APR of approx. 23.52%
  - $500, 6-mo. loan will have effective APR of approx. 35.33%

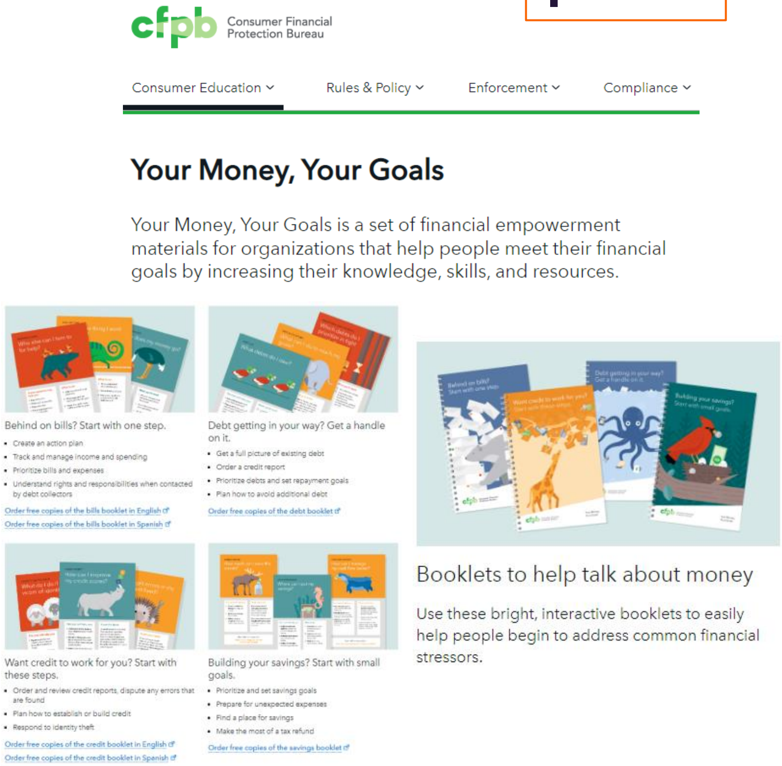
Other Proposer: "*As per Florida regulations, a $25 credit investigation fee will be charged on all loans.*"

EVALUATION CRITERIA SECTION 3.1
- Implementation
- Financial Education

10 points

ADDITIONAL TOPICS – # 3 of 3

- BMG's financial education program based upon **best-in-class *Your Money, Your Goals*** curriculum by US Consumer Finance Protection Bureau
- BMG **first private lender approved** to join program
- BMG will offer education sessions not only to Broward County employees, but also **Broward County residents** at County facilities (up to 4X per year, at County's option)
- **ALL participating County employees** will receive **FREE credit monitoring services** – compare to services at $8 - $21 per month
- We have increased our annual **County wellness contribution to $10,000 per year** – this can be used by the County to support its financial literacy efforts



EVALUATION CRITERIA SECTION 3.2 - Implementation with County

5 points

- Simply put, in the event that BMG is awarded the contract under the RFP, there will be **NO implementation effort required** of the County-NONE whatsoever
- The County and BMG have been **partnering** to offer the *LoansAtWork* program **since 2016**
- **Nothing needs to change**, except, of course, that BMG always stands ready to make changes that the County may require (if any)

VERY IMPORTANT

- If the County selects other proposer, that new vendor will need to support a brand new implementation with very little staff
- However, the **County also will need to develop a brand new process** to facilitate compliance with the RFP's "*Coordination of Active Loans with Prior Vendor*" rules:

Coordination Of Active Loans with Prior Vendor: During the first twenty-four months of the Agreement, prior to issuing a new loan, Vendor shall verify, through a method to be determined by County, that an employee seeking a loan from Vendor does not have an active loan with the current vendor, BMG Money (BMG). If the employee has an active loan with BMG, the balance of the loan with BMG must be deducted from the loan amount available through Vendor and the total balance of both loans combined shall not exceed Vendor's negotiated maximum loan amount or require payroll deductions that exceed 10% of the employee's base bi-weekly salary (excluding overtime and all other earnings).

EVALUATION CRITERIA SECTION 4 - Project Specific Questionnaire

36 points

While both BMG's and the other proposer's responses to the Project Specific Questionnaire are similar in some respects, there are many important differences:

Non-negotiable items 1 & 2: other proposer **did NOT agree** and **did NOT sign** (see p. 76 of their proposal) – "*Vendor may be deemed non-responsive for failure to indicate "Yes" to each non-negotiable item.*"

- Other proposer did NOT agree to General Information and Current Plan Guidelines; Employee Protections; Program Safeguards; Administrative and Related Services; Marketing; and Piggybacking
- Other proposer did NOT certify compliance with all Federal and State regulatory requirements for consumer finance loans

p. 78 Other proposer – County approvals "will be built into the workflow" – BMG already has in place
p. 79 Other proposer does not provide free credit monitoring services
p. 80 Other proposer's net promoter score only exceeds 80%?
p. 80 Other proposer does not report payment history to Experian, the largest credit bureau in US
p. 80 Other proposer failed to disclose its refinance terms including frequency
p. 80 Other proposer will reject non-US Citizens authorized to work for Broward County
p. 81 When asked what facial recognition it uses, other proposer said it "will" use Google Vision – do they not already have a facial recognition solution? – this is a difficult implementation
p. 81 66.6% facial recognition accuracy standard is far too low

ADDITIONAL TOPICS – # 1 of 3
- Internal Control Measures / Fraud

Current Measures

giact	Bank Account Ownership Verification
TransUnion, experian	ID, Address, DOB, SSN Verification
PLAID, DECISIONLOGIC	Direct Deposit Verification
twilio	Multi-Factor Authentication (Mobile)
facetec	Liveness, Facial Recognition & ID Matching
aws	E-Mail Address Verification
bmgmoney	Digital Fingerprint, IP Address Matching

Coming Soon

neustar	Tel. No. History & Verification
emailage (GLOBAL FRAUD PREVENTION)	E-Mail Address History & Verification

Fraud prevention is critical and difficult. It takes continuous improvement, coordination across all enrollment processes, and dedicated resources (time, talent, and money).

ADDITIONAL TOPICS – # 2 of 3
- Safeguards to Protect Private Information

BMG is proud that no driver's license information or other sensitive Personal Identifiable Information regarding Broward County's employees (or any other employer client's) has been compromised since we launched the Program.

- **Safeguards:**
  - **Administrative, physical, and technical safeguards** in place in accordance with federal financial privacy requirements
  - Segregation of employees' duties, multi-factor authentication, access controls, information sharing only on need-to-know basis, prohibition on mobile data storage devices, VPN connectivity, and **many other workplace security measures** in place across the organization
  - Google Cloud Services **secures all employee data**

Google Cloud

AICPA SOC

SOC 2

ISO /IEC

ISO/IEC 27017

ISO /IEC

ISO/IEC 27018

ISO /IEC

ISO/IEC 27701

BMG is the experienced, responsible, reliable, and easy choice…

- BMG **appreciates this opportunity** to make an oral **presentation** to the Evaluation Committee
- BMG **looks forward** to an opportunity to participate in **negotiations** with the County after approval of final ranking as recommended by Evaluation Committee
- [Tom McCormick is authorized to bind BMG]

We are **grateful** for the opportunity to discuss our Proposal. We believe that BMG's *LoansAtWork* Program is the **best way for the County to continue to protect** its most important asset - its **employees** - from predatory payday lending. This simple, responsible, and low-cost emergency loan solution has been **helping those employees most in need for six years**. We would be **honored to continue partnering with the County** and its staff.

bmgmoney

Questions & Answers

Thank you...

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