



CASE STUDY

Client: McCoy Federal Credit Union (Orlando, FL), \$395 Million Assets

Product: Collections Outsourcing

Background:

McCoy Federal Credit Union started with LSI's Collections Outsourcing Service in May 2007. The past few years have been very challenging for all credit unions and McCoy is no exception. In October 2009, due to the loss of a staff member, the credit union funneled a larger portion of their portfolio to LSI. While LSI was originally just handling early stage delinquencies, the results have been so outstanding, that the credit union now has LSI handling a portion of the later stage delinquencies. Below is a snapshot of these results from the first four months of 2010.

***Results:**

Month	\$ Delinquent	Delinquency %
January	\$12,655,277	4.78
February	\$9,719,614	3.73
March	\$8,145,631	3.20
April	\$6,987,307	2.80

The \$5,667,970 reduction from January to April represents a 45% (nearly 2 full basis points) reduction in overall delinquencies for the credit union.

Credit Union Feedback:

“Since entrusting a larger portion of our portfolio to LSI, we’ve been very excited about the results that they have helped us achieve. With the current economic realities, credit unions have to spend money to save money when it comes to debt collecting.” **Kevin Freeman, Vice President, Loan Services**

“When we visited LSI in 2009, we were very impressed with the professionalism of their operation and their representatives. We realized, based on a number of factors, that it would be very difficult to compete economically with our own ‘in-house’ solution, so we made the business decision to direct more of our delinquencies to them, and the results speak for themselves.” **Alvin Cowans, CEO**

* Data validated by credit union.