



# Case Study

A BSG FINANCIAL CLIENT SUCCESS STORY

## Irwin Bank & Trust Company Improves Customer Satisfaction and Revenue with OverdraftHonor®

### The Challenge

Irwin Pa.-based Irwin Bank & Trust Company (with assets totaling more than \$680 million and serving more than 35,000 customers) was looking to increase both customer service and revenue in 2004, prompting the bank to offer its customers a courtesy overdraft program.

Donald Henderson, vice president of operations, was charged with researching and selecting the best solution to meet the bank's needs.

*"Based on our research, we felt most comfortable selecting BSG Financial due to their professionalism and industry knowledge. We were not looking for a quick revenue increase, but were more interested in doing courtesy overdraft the right way, and BSG Financial provided the tools to do that," said Henderson.*



**WHO:** Irwin Bank & Trust Company, Irwin, PA  
Donald Henderson, Vice President

**WHEN:** Customer since September 2004

**WHAT:** Irwin Bank & Trust Company implemented BSG Financial's OverdraftHonor®, a comprehensive courtesy overdraft management system providing the expertise, policy, procedure, regulatory guidance, training and software to enable the bank to meet and exceed customers' expectations and the federal agencies' final guidelines.

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### The Solution

Irwin Bank & Trust Company began in September 2004 offering BSG Financial's OverdraftHonor® program, which enables the bank to pay more of its customers' insufficient funds (NSF) checks and spare them the embarrassment and added expense of returned checks. OverdraftHonor is a full-featured, compliant courtesy overdraft service that is sensitive to a customer's accidental overdrafts and cash management problems.

The program takes a conservative or "Responsible Approach," to customer contact, administration and follow-up, creating increased opportunities for positive customer interaction.

In addition, BSG Financial's 100 percent compliance guarantee was important to Irwin Bank & Trust, as its officials wanted to be confident the program was in compliance with all government guidance and regulations.

**"We have had customers thank US in person... for not embarrassing them by returning checks."**

# OverdraftHonor

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## Irwin Bank & Trust Company, continued

“We received a copy of the guidance from the government, as well as an interpretation from BSG Financial,” continued Henderson. “The interpretation helped us adjust our program to fit the bank’s risk tolerance and still assure compliance. We have been very happy with the response we received from BSG Financial regarding the guidance.”

### The Result

Since Irwin Bank & Trust Company first implemented BSG Financial’s OverdraftHonor<sup>®</sup>, the bank has achieved both its original goals by increasing customer service as well as revenue through non-interest fee income.

“While our overall non-interest fee income has increased 14 percent, primarily from a **49 percent increase in NSF fee income**, the turning point has been in customer service,” said Henderson. “We have had customers thank us in person as well as by letter for not embarrassing them by returning checks. That is really one of the better things we take away from the program.” As an added bonus, the bank has **reduced charge-offs** of direct deposit accounts as a result of increased overdraft repayments.

In relieving accountholders of the added expense and hassle of dealing with returned checks, OverdraftHonor<sup>®</sup> emphasizes customer protective practices, which are managed within the program’s software. These practices include ‘frequent user’ identification, counseling and a New Start<sup>™</sup> Repayment Program to help those with unanticipated difficulties. Optional credit counseling is available for accountholders with special financial needs. In return, the bank has received thank you letters from grateful customers—qualitative proof of outstanding customer satisfaction through use of the overdraft protection service.

### 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, “The Responsible Approach,<sup>™</sup>” is a proprietary courtesy overdraft program, uniquely providing both in-house and outsourced solutions with a conservative approach to customer and risk management, profitability and ongoing technical and customer service. In addition, BSG Financial offers other profit-enhancing programs that increase retail account openings; outsource collections; repair damage caused by identity theft; and take customer relationship management beyond traditional CRM and MCIF capabilities.

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

[www.BSGfinancial.com](http://www.BSGfinancial.com)



TO LEARN MORE ABOUT  
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