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P R E S S R E L E A S E

## Michael White-Symetra Report: Bank Annuity Commissions Up 13% in First Half 2008

**FOR IMMEDIATE RELEASE** – Radnor, PA, September 8, 2008 – Bank annuity commissions and fees rose 13.2% to \$539.6 million in the first half of 2008 from \$476.9 million in first half 2007, according to the *Michael White-Symetra Bank Fee Income Report™ (Bank-FIR™)*. During the same periods, income earned from the sale and servicing of mutual funds and annuities at banks declined 0.9% to \$2.84 billion from \$2.86 billion.

Compiled by Michael White Associates, LLC (MWA) and sponsored by Symetra Financial, the report measures and benchmarks banks' performance in generating insurance, securities brokerage, annuity and mutual fund fee income. It is based on data from all 7,622 commercial and FDIC-supervised savings banks operating at the end of first half 2008.

Banks' \$1.41 billion in second-quarter mutual fund and annuity fee income was down 1.0% from \$1.43 billion in first quarter 2008. So far this year, 1,710 or 22.4% of banks engaged in mutual fund and annuity sales and servicing activities, four-fifths of one percentage point lower than first half last year (23.2%). Only 996 or 13.1% of banks reported the \$539.6 million in earnings from annuity sales, which accounted for 19.0% of total first-half mutual fund and annuity income. Banks' mutual fund and annuity income represents only a portion of the banking industry's total mutual fund and annuity income, which will be revealed more completely in several weeks when bank holding company fee income data for first half 2008 becomes available.

### TOP 10 BANKS IN MUTUAL FUND & ANNUITY FEE INCOME YEAR-TO-DATE JUNE 30, 2008 Nationally

RANK	YTD MUTUAL FUND & ANNUITY INCOME		PERCENT CHANGE 2007 - 2008	BANK HOLDING COMPANY	ST	ANNUITY COMMISSIONS	% OF MUTUAL FUND & ANNUITY INCOME
	2Q 2008	2Q 2007					
<b>(ALL DOLLAR AMOUNTS IN THOUSANDS)</b>							
1	\$962,502	\$1,003,974	-4.13%	Bank of America, N.A.	NC	\$64,424	6.69%
2	\$300,000	\$304,000	-1.32%	Wachovia Bank, N.A.	NC	\$3,000	1.00%
3	\$189,000	\$178,000	6.18%	Wells Fargo Bank, N.A.	SD	\$0	0.00%
4	\$161,000	\$203,000	-20.69%	JPMorgan Chase Bank, N.A.	OH	\$0	0.00%
5	\$100,544	\$89,712	12.07%	U.S. Bank, N. A.	OH	\$0	0.00%
6	\$80,054	\$62,919	27.23%	PNC Bank, N.A.	PA	\$25,930	32.39%
7	\$70,000	\$76,000	-7.89%	The Bank of New York	NY	\$0	0.00%
8	\$67,226	\$74,667	-9.97%	Fifth Third Bank	OH	\$22,299	33.17%
9	\$63,462	\$49,611	27.92%	Keybank, N.A.	OH	\$30,105	47.44%
10	\$48,249	\$41,292	16.85%	Chase Bank USA, N.A.	DE	\$0	0.00%

Source: *Michael White-Symetra Bank Fee Income Report*

Banks with over \$10 billion in assets recorded \$2.53 billion in mutual fund and annuity fee income for first half 2008, down 0.6% from \$2.54 billion for the same period in 2007. They also had the highest participation rate (73.6%) of any asset class of banks engaged in mutual fund and annuity sales and servicing and activities. Their annuity commissions of \$430.0 million grew 12.5% from \$382.2 million in the prior year's first half and

constituted 79.7% of total bank annuity commissions reported. Among this asset class of largest banks, annuity commissions constituted 17.0% of their total mutual fund and annuity income.

Banks with assets between \$1 billion and \$10 billion registered a 5.5% decrease in mutual fund and annuity fee income, declining from \$199.8 million in first half 2007 to \$188.7 million in same period 2008. In contrast, they earned \$70.5 million in annuity commissions, achieving the highest year-over-year growth in annuity commission income in the first half, increasing 23.2% from \$57.3 million in first half 2007. Annuity commissions represented 37.4% of the total mutual fund and annuity income of banks between \$1 billion and \$10 billion in assets.

Nationally, Bank of America (NC) ranked first at midyear, earning \$962.5 million in mutual fund and annuity fee income, down 4.1% from \$1.00 billion in 2007. Wachovia Bank (NC), Wells Fargo Bank (SD), JPMorgan Chase Bank (OH), and U.S. Bank (OH) rounded out the top five in combined mutual fund and annuity earnings. Among the top ten, Keybank (OH) had the largest percentage increase year-over-year with 27.9%. Bank of America (NC) ranked first with \$64.4 million in first half 2008 annuity commissions, up 18.2% from \$54.5 million in 2007. Citibank (NV), Keybank (OH), National City Bank (OH), and PNC Bank (PA) rounded out the top 5 nationally in annuity commissions. Among the top ten, National City Bank (OH) experienced the highest rate of growth in first half annuity commissions with 54.5% more than a year ago.

Among banks under \$1 billion in assets, the leader in mutual fund and annuity fee income in first half 2008 was Essex Savings Bank (CT) with \$2.87 million, up 16.8% from \$2.46 million in 2007. Legg Mason Investment Counsel & Trust Company, N.A. (MD), Bank Midwest, Minnesota Iowa, N.A. (MN), Country Club Bank, N.A. (KS), and The Bank and Trust, s.s.b. (TX) rounded out the top five. Bank Midwest, Minnesota Iowa grew its income from the sale and servicing of mutual funds and annuities by 106.7%. But, among the top 10 small banks, The Bank and Trust, s.s.b. (TX) grew its mutual fund and annuity income the most at 836.7% to \$1.02 million. First Citizens National Bank (TN) led banks under \$1 billion in assets in annuity commissions with \$514,000. Naugatuck Savings Bank (CT), PeoplesBank, a Codorus Valley Company (PA), Northeast Bank (ME), and The Juniata Valley Bank (PA) rounded out the top five in annuity commissions. Among the top ten, Penn Security Bank and Trust Co. (PA) had the highest growth rate in annuity commissions with 421.5% more than a year ago.

### **About the *Michael White-Symetra Bank Fee Income Report*<sup>™</sup>**

Michael White Associates, LLC (MWA) is a consulting firm headquartered in Radnor, PA, and online at [www.BankInsurance.com](http://www.BankInsurance.com). The *Michael White-Symetra Bank Fee Income Report*<sup>™</sup> (*Bank-FIR*<sup>™</sup>) ranks the nation's top 100 banks in insurance brokerage and underwriting, annuity commissions, securities brokerage, and combined mutual fund and annuity fee income and the top 50 banks in these categories for each of eight asset-classes and six regions. The *Bank-FIR* and its companion report on bank holding companies, the *Michael White-Symetra Bank Holding Company Fee Income Report*<sup>™</sup> (*BHC-FIR*<sup>™</sup>), are sponsored by Symetra Financial.

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