



**MICHAEL WHITE ASSOCIATES**  
BANK INSURANCE CONSULTANTS

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N E W S R E L E A S E

## ***Michael White-Prudential Bank Insurance Fee Income Report™*** **Reveals Encouraging Bank Insurance Results Despite Economic Environment**

**FOR IMMEDIATE RELEASE – Radnor, PA, and Newark, NJ, June 2, 2009** – Bank holding companies (BHCs) with less than \$10 billion in assets experienced a 6.3% increase in their insurance brokerage income, moving from \$687.67 million in 2007 to \$730.82 million in 2008. Among this group, the *Michael White-Prudential Bank Insurance Fee Income Report™* found that BHCs with assets between \$1 billion and \$10 billion performed best, achieving 8.4% growth in insurance brokerage income, growing from \$540.4 million in 2007 to \$586.1 million in 2008. In fact, 65 of the top 100 BHCs in insurance brokerage income registered increased income in 2008.

Compiled by Michael White Associates (MWA) since 2001 and sponsored for the first time by Prudential’s Individual Life Insurance business, the annual report measures and benchmarks the banking industry’s performance in generating insurance brokerage and underwriting fee income. Results are based on data from all 7,495 commercial and FDIC-supervised savings banks and 880 large top-tier bank holding companies operating on December 31, 2008.

“BHCs with assets greater than \$10 billion, and, principally, a handful of them, were responsible for an overall decline for the industry in 2008,” said Michael White, President of MWA. “This constituted a 3.6% decrease from a record \$12.26 billion earned in insurance brokerage income in 2007. However, BHCs in total still earned \$11.80 billion in insurance brokerage income in 2008 despite the current economic environment.”

These largest BHCs had the highest participation (93.1%) in insurance brokerage activities and accounted for 93.7% of the industry’s insurance brokerage income. They experienced a 4.2% decrease from \$11.56 billion in 2007 to \$11.07 billion in 2008. “Since MWA began conducting this report in 2001, this is the first year we’ve seen a decline in total BHC insurance brokerage income,” added White.

### **TOP 10 BANK HOLDING COMPANIES IN INSURANCE BROKERAGE FEE INCOME** **YEAR-END DECEMBER 31, 2008** **Nationally**

RANK	YTD INSURANCE BROKERAGE INCOME		PERCENT CHANGE 2007 - 2008	BANK HOLDING COMPANY	ST	ASSETS	CONCENTRATION RATIO: % OF NONINTEREST INCOME
	2008	2007					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$1,595,000	\$1,272,000	25.39%	WELLS FARGO & COMPANY	CA	\$1,309,639,000	9.85%
2	\$1,207,000	\$2,016,000	-40.13%	CITIGROUP INC.	NY	\$1,938,470,000	121.31%
3	\$847,267	\$842,087	0.62%	BB&T CORPORATION	NC	\$152,015,025	27.70%
4	\$432,206	\$317,948	35.94%	BANK OF AMERICA CORP.	NC	\$1,822,068,028	1.52%
5	\$115,678	\$170,026	-31.96%	HSBC NO. AMERICA HOLDINGS	IL	\$434,715,911	1.88%
6	\$113,187	\$97,176	16.48%	REGIONS FINANCIAL CORP.	AL	\$146,253,935	4.16%
7	\$87,063	\$71,575	21.64%	BANCORPSOUTH, INC.	MS	\$13,499,414	30.36%
8	\$70,086	\$37,749	85.66%	HUNTINGTON BANCSHARES INC.	OH	\$54,355,998	8.09%
9	\$68,000	\$138,000	-50.72%	JPMORGAN CHASE & CO.	NY	\$2,175,052,000	0.25%
10	\$57,077	\$19,658	190.35%	BBVA USA BANCSHARES, INC.	TX	\$62,305,413	6.46%

Ranking excludes MetLife, Inc., which does not engage in significant banking activities.

Source: *Michael White-Prudential Bank Insurance Fee Income Report*

Excluding MetLife, which did not engage in significant banking activities, Wells Fargo & Company (CA), Citigroup, Inc. (NY), BB&T Corporation (NC), and Bank of America Corporation (NC) led all BHCs in insurance brokerage income in 2008. Among BHCs with between \$1 billion and \$10 billion in assets, leaders included Eastern Bank Corporation (MA), Old National Bancorp (IN), Trustmark Corporation (MS), and Johnson Financial Group, Inc. (WI).

Among BHCs with assets between \$500 million and \$1 billion, leaders were 473 Broadway Holding Corporation (NY), Texas Independent Bancshares (TX), First Manitowoc Bancorp, Inc. (WI), and Northeast Bancorp (ME). The smallest community banks, those with assets less than \$500 million, were used as “proxies” for the smallest BHCs, which are not required to report insurance brokerage income. Leaders among bank proxies for small BHCs were Soy Capital Bank and Trust Company (IL), Hoosac Bank (MA), Stoneham Savings Bank (MA), and SussexBank (NJ).

“This report is a valuable tool that helps us continue to evolve our approach to sales of life insurance in the banking industry. Our own experience suggests that insurers and banks are developing stronger marketing relationships and finding new ways to offer consumers’ simplicity and convenience when it comes to purchasing a basic, protection-oriented life insurance policy,” said Joan H. Cleveland, senior vice president, Business Development with Prudential’s Individual Life Insurance business. “A combination of high quality service, improvements to the application process and the use of technology, support a positive outlook for growth in sales of life insurance through financial institutions.”

Among the top 50 BHCs nationally in insurance brokerage concentration (i.e., insurance brokerage income as a percent of noninterest income), the mean Insurance Brokerage Concentration Ratio was 45.1%. Among the top 50 small banks in insurance brokerage concentration that are serving as proxies for small BHCs, the mean Insurance Brokerage Concentration Ratio was 72.0% of noninterest income. Among the top 50 BHC leaders in insurance brokerage productivity (i.e., insurance brokerage income per BHC employee), the mean Insurance Brokerage Productivity Ratio was \$22,300 per employee. Among the top 50 small banks in insurance brokerage productivity, the mean Insurance Brokerage Productivity Ratio was \$60,800 per employee.

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**Michael White Associates (MWA)** is a bank insurance consulting firm headquartered in Radnor, PA, and at [www.BankInsurance.com](http://www.BankInsurance.com). The annual *Michael White-Prudential Bank Insurance Fee Income Report*<sup>™</sup> and *Michael White-ABIA Bank Annuity Fee Income Report*<sup>™</sup> provide, respectively, comprehensive analyses of bank insurance brokerage and bank annuity commission income. Additionally, the *MWA Fee Income Ratings Reports*<sup>™</sup> compare, rank and rate a particular financial institution’s insurance or other noninterest fee income program nationally, regionally, statewide and in its asset-peer group. Copies of MWA reports can be ordered by calling (610) 254-0440, or by visiting [www.BankInsurance.com](http://www.BankInsurance.com).

**Prudential Financial, Inc.** (NYSE: PRU), a financial services leader with approximately \$542 billion of assets under management as of March 31, 2009, has operations in the United States, Asia, Europe, and Latin America. Leveraging its heritage of life insurance and asset management expertise, Prudential is focused on helping approximately 50 million individual and institutional customers grow and protect their wealth. The company’s well-known Rock symbol is an icon of strength, stability, expertise and innovation that has stood the test of time. Prudential’s businesses offer a variety of products and services, including life insurance, annuities, retirement-related services, mutual funds, investment management, and real estate services. For more information, please visit <http://www.news.prudential.com>.

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