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N E W S R E L E A S E

**Michael White-ABIA Report Third-Quarter Bank Annuity  
Fee Income Up 12.9% Over Second Quarter 2009**

**FOR IMMEDIATE RELEASE** – Radnor, PA, and Washington, DC, January 20, 2010 – Income earned from the sale of annuities at bank holding companies (BHCs) rose 2.5% to \$2.00 billion in the first three quarters of 2009, up from \$1.95 billion in the first three quarters of 2008, according to the *Michael White-ABIA Bank Annuity Fee Income Report*<sup>™</sup>. Third-quarter annuity commissions, however, rose to \$669.8 million, up 12.9% from \$593.1 million in second quarter 2009 and up 4.0% from \$644.2 million earned in third quarter 2008.

Compiled by Michael White Associates (MWA) and sponsored by American Bankers Insurance Association (ABIA), the report measures and benchmarks the banking industry’s performance in generating annuity fee income. It is based on data from all 7,319 commercial and FDIC-supervised banks and 922 large top-tier bank holding companies operating on September 30, 2009.

Of the 922 BHCs, 388 or 42.1% participated in annuity sales activities during the first three quarters of 2009. Their \$2.00 billion in annuity commissions and fees constituted 13.5% of their total mutual fund and annuity income of \$14.77 billion and 18.0% of total BHC insurance sales volume (i.e., the sum of annuity and insurance brokerage income) of \$11.1 billion. Of the 7,319 banks, 975 or 13.3% participated in annuity sales activities, earning \$705.5 million in annuity commissions or 35.3% of the banking industry’s total annuity fee income. However, bank annuity production was down 13.3% from \$814.0 million in the first three quarters of 2008.

**TOP 10 BANK HOLDING COMPANIES IN ANNUITY FEE INCOME  
YEAR-TO-DATE SEPTEMBER 30, 2009  
Nationally**

RANK	YTD ANNUITY INCOME		PERCENT CHANGE 2008 - 2009	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	3Q 2009	3Q 2008					
<b>(ALL DOLLAR AMOUNTS IN THOUSANDS)</b>							
1	\$504,000	* \$612,000	-17.6%	WELLS FARGO & COMPANY	CA	\$1,228,578,000	1.64%
2	\$258,000	\$268,000	-3.73%	JPMORGAN CHASE & CO.	NY	\$2,038,572,000	0.68%
3	\$203,240	\$110,332	84.21%	BANK OF AMERICA CORP.	NC	\$2,245,736,785	0.42%
4	\$168,000	N/A	N/A	MORGAN STANLEY	NY	\$767,277,000	0.99%
5	\$98,953	\$49,658	99.27%	PNC FINANCIAL SERVICES GROUP PA	PA	\$271,449,905	1.92%
6	\$71,198	\$21,210	235.68%	REGIONS FINANCIAL CORP.	AL	\$140,169,410	2.57%
7	\$62,917	\$94,800	-33.63%	SUNTRUST BANKS, INC.	GA	\$172,814,097	2.13%
8	\$52,000	\$72,000	-27.78%	U.S. BANCORP	MN	\$265,058,000	0.84%
9	\$46,160	\$42,832	7.77%	KEYCORP	OH	\$95,999,634	3.33%
10	\$36,414	\$50,080	-27.29%	HSBC NO. AMERICA HOLDINGS	IL	\$390,657,817	1.33%
* 3Q2008 figure includes \$86,000 for Wells Fargo & Company and \$526,000 for Wachovia Corporation, which it acquired.							
Source: <i>Michael White-ABIA Bank Annuity Fee Income Report</i>							

Seventy-one percent (71.4%) of BHCs with over \$10 billion in assets earned third quarter year-to-date annuity commissions of \$1.89 billion, constituting 94.6% of total annuity commissions reported. This was an increase of 3.5% from \$1.82 billion in annuity fee income in the first three quarters of 2008. Among this asset

class of largest BHCs in the first three quarters, annuity commissions made up 16.1% of their total mutual fund and annuity income of \$11.73 billion and 18.1% of their total insurance sales volume of \$10.42 billion.

BHCs with assets between \$1 billion and \$10 billion recorded a decrease of 12.2% in annuity fee income, declining from \$104.2 million in the first three quarters of 2008 to \$91.4 million in the first three quarters of 2009 and accounting for 3.0% of their mutual fund and annuity income of \$3.03 billion. BHCs with \$500 million to \$1 billion in assets generated \$16.7 million in annuity commissions in the first three quarters of 2009, down 18.0% from \$20.4 million in the first three quarters of 2008. Only 34.7% of BHCs this size engaged in annuity sales activities, which was the lowest participation rate among all BHC asset classes. Among these BHCs, annuity commissions constituted the smallest proportion (13.0%) of total insurance sales volume of \$129.0 million.

Wells Fargo & Company (CA), JPMorgan Chase & Co. (NY), and Bank of America Corporation (NC) led all bank holding companies in annuity commission income in the first three quarters of 2009. Among BHCs with assets between \$1 billion and \$10 billion, leaders included Stifel Financial Corp. (MO), Hancock Holding Company (MS), and NewAlliance Bancshares, Inc. (CT). Among BHCs with assets between \$500 million and \$1 billion, leaders were First Citizens Bancshares, Inc. (TN), CCB Financial Corporation (MO), and Codorus Valley Bancorp, Inc. (PA). 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 annuity fee income. Leaders among bank proxies for small BHCs were Sturgis Bank & Trust Company (MI), The Juniata Valley Bank (PA) and FNB Bank, N.A. (PA).

Among the top 50 BHCs nationally in annuity concentration (i.e., annuity fee income as a percent of noninterest income), the median year-to-date Annuity Concentration Ratio was 6.1% in third quarter 2009. Among the top 50 small banks in annuity concentration that are serving as proxies for small BHCs, the median Annuity Concentration Ratio was 12.9% of noninterest income.

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The American Bankers Insurance Association (ABIA) is the separately chartered insurance affiliate of the American Bankers Association (ABA) and is the only Washington, D.C.-based full service association for bank insurance interests. The ABIA’s mission is to develop policy and provide advocacy for banks in insurance and to support bank insurance operations through research, education, compliance-assistance and peer group networking opportunities. ABIA Membership consists of banks, and their affiliated agencies, insurance companies, marketing, and administrative services suppliers, non-bank lending organizations and other firms involved in the bank affiliated insurance industry. Additional information on the ABIA can be found at [www.theabia.com](http://www.theabia.com).

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-ABIA Bank Annuity Fee Income Report* and *Michael White-Prudential Bank Insurance Fee Income Report*<sup>™</sup> provide, respectively, comprehensive analyses of bank annuity commissions and fees and bank insurance brokerage 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).

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