



**MICHAEL WHITE ASSOCIATES**  
BANK INSURANCE CONSULTANTS

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

## Michael White-Prudential Report 3Q2009 Bank Insurance Brokerage Is Best in Last 5 Quarters

**FOR IMMEDIATE RELEASE** – Radnor, PA, January 26, 2010 – Third-quarter bank holding company (BHC) insurance brokerage fee income reached \$3.05 billion, up 11.7% compared to \$2.73 billion in third quarter 2008 and the greatest amount in five quarters, according to the *Michael White-Prudential Bank Fee Income Report*<sup>™</sup>. Over the first three quarters of 2009, BHC insurance brokerage fee income held up relatively well, tallying \$9.1 billion year-to-date, down only 0.7% from \$9.2 billion for the same period in 2008. Thus far in 2009, 64.1% of large top-tier BHCs engaged in insurance brokerage activities.

Compiled by Michael White Associates (MWA) and sponsored by The Prudential Insurance Company of America's Individual Life Insurance business, a proud member of the American Bankers Insurance Association (ABIA), this report measures and benchmarks the banking industry's performance in generating insurance brokerage and underwriting fee income. Results are based on data from all 7,319 commercial and FDIC-supervised savings banks and 922 large top-tier bank holding companies operating on September 30, 2009. Bank holding company insurance brokerage fee income consists of commissions and fees earned by a bank holding company or its subsidiary from insurance product sales and referrals of credit, life, health, property, casualty, and title insurance.

### TOP 12 BANK HOLDING COMPANIES IN INSURANCE BROKERAGE FEE INCOME YEAR-TO-DATE SEPTEMBER 30, 2009 Nationally

RANK	INSURANCE BROKERAGE FEE INCOME		PERCENT CHANGE 2008 - 2009	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	3Q2009	3Q2008					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$1,382,000	\$1,312,000	5.34%	WELLS FARGO & COMPANY	CA	\$1,228,578,000	4.50%
2	\$771,000	\$955,000	-19.27%	CITIGROUP INC.	NY	\$1,888,018,000	2.06%
3	\$699,922	\$626,057	11.80%	BB&T CORPORATION	NC	\$165,329,144	26.69%
4	\$367,303	\$319,971	14.79%	BANK OF AMERICA CORPORATION	NC	\$2,245,736,785	0.75%
5	\$115,000	N/A	N/A	MORGAN STANLEY	NY	\$767,277,000	0.68%
6	\$106,000	N/A	N/A	GMAC INC.	MI	\$178,099,000	1.3%
7	\$95,495	N/A	N/A	DISCOVER FINANCIAL SERVICES	IL	\$43,814,993	2.76%
8	\$84,746	N/A	N/A	AMERICAN EXPRESS COMPANY	NY	\$119,390,824	0.61%
9	\$83,999	\$81,437	3.15%	REGIONS FINANCIAL CORP.	AL	\$140,169,410	3.01%
10	\$80,000	N/A	N/A	GOLDMAN SACHS GROUP, INC.	NY	\$877,622,000	0.81%
11	\$65,000	\$53,000	22.64%	JPMORGAN CHASE & CO.	NY	\$2,038,572,000	0.23%
12	\$63,664	\$68,207	-6.66%	BANCORPSOUTH, INC.	MS	\$13,280,753	32.46%

Source: *Michael White-Prudential Bank Holding Company Fee Income Report*

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Among companies with significant banking activities as of September 30, 2009, Wells Fargo & Company (CA) topped the leader board with insurance brokerage earnings of nearly \$1.4 billion. Citigroup Inc. (NY) ranked second nationally with \$771.0 million; and BB&T Corporation (NC), which owns more agencies than any other financial holding company, ranked third with \$699.9 million in insurance brokerage revenue in three quarters of 2009. Five of the top eleven producers of insurance brokerage were newly chartered BHCs: Morgan Stanley, GMAC Inc., Discover Financial, American Express Company, and The Goldman Sachs Group, Inc.

Bank holding companies over \$10 billion in assets continued to have the highest participation (89.6%) in insurance brokerage activities. These BHCs produced \$8.53 billion in insurance fee income in the first three quarters of 2009, 0.7% less than the \$8.60 billion they produced YTD in 2008. These large bank holding companies accounted for 93.8% of all BHC insurance brokerage fee income earned thus far in 2009.

The entry of new BHCs with significant insurance brokerage income has offset the loss of other BHC insurance operations. “Among the top 100 BHCs in insurance brokerage, three times as many have registered 20%+ increase in income compared to those that have registered declines of that magnitude. Additionally, signs show an increase in life insurance applications and sales,” said Joan H. Cleveland, senior vice president, Business Development with Prudential’s Individual Life Insurance business. “We are encouraged by this positive trend and are confident that the products and process we developed will continue to enable banks to help meet their customers’ life insurance needs.”

Among BHCs with assets between \$1 billion and \$10 billion, leaders in insurance brokerage income in the first half 2009 included Eastern Bank Corporation (MA), Old National Bancorp (IN), Trustmark Corporation (MS), and Johnson Financial Group, Inc. (WI). BHCs of this size registered a 1.8% decrease in insurance brokerage income to \$455.4 million in three quarters of 2009, down from \$464.0 million for the same period in 2008.

Among BHCs with assets between \$500 million and \$1 billion, leaders were 473 Broadway Holding Corporation (NY), Texas Independent Bancshares (TX), and First Manistowoc Bancorp, Inc. (WI). These BHCs experienced 7.1% growth year-over-year in their insurance brokerage income. The smallest community banks, 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), Spirit of America National Bank (OH), and Hoosac Bank (MA). (Not shown in the accompanying table of companies is MetLife, Inc., which did not engage in significant banking activities.)

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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).

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**For additional information contact:**

Michael D. White, Ph.D., CLU, ChFC  
 Michael White Associates, LLC  
 823 King of Prussia Road  
 Radnor, PA 19087  
 Phone: (610) 254-0440  
 Email: [MWA@BankInsurance.com](mailto:MWA@BankInsurance.com)

Janet Gillespie  
 Prudential Financial  
 751 Broad Street, 12th Floor  
 Newark, NJ 07102  
 Phone: (973) 802-8012  
 Email: [janet.gillespie@prudential.com](mailto:janet.gillespie@prudential.com)

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