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## Michael White-Prudential Report Bank Insurance Brokerage Up to Record Highs in Second Quarter and First Half 2010

**FOR IMMEDIATE RELEASE** – Radnor, PA, October 19, 2010 – Bank holding companies (BHC) set new records in insurance brokerage fee income in the second quarter and year-to-date (YTD) in the first half of 2010, according to the *Michael White-Prudential Bank Fee Income Report*<sup>™</sup>. BHC insurance brokerage income of \$3.55 billion in second quarter 2010 was up 17.6% from \$3.02 billion in second quarter 2009. First-half income of \$6.88 billion was up 13.6% from \$6.05 billion in first half 2009. Thus far in 2010, 62.2% of large top-tier BHCs engaged in insurance brokerage activities.

Compiled by Michael White Associates (MWA) since 2001 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 7,077 commercial banks and FDIC-supervised savings banks and 930 large top-tier bank holding companies operating on June 30, 2010.

### TOP 12 BANK HOLDING COMPANIES IN INSURANCE BROKERAGE FEE INCOME YEAR-TO-DATE JUNE 30, 2010 Nationally

RANK	INSURANCE BROKERAGE FEE INCOME		PERCENT CHANGE 2009 - 2010	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	2Q2010	2Q2009					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$1,005,000	\$995,000	1.01%	WELLS FARGO & COMPANY	CA	\$1,225,742,000	5.09%
2	\$771,000	\$505,000	52.67%	CITIGROUP INC.	NY	\$1,937,160,000	4.11%
3	\$484,042	\$478,743	1.11%	BB&T CORPORATION	NC	\$155,083,058	36.17%
4	\$267,623	\$243,610	9.86%	BANK OF AMERICA CORPORATION	NC	\$2,359,350,594	0.82%
5	\$136,000	\$45,000	202.22%	MORGAN STANLEY	NY	\$809,448,000	0.82%
6	\$93,555	\$47,309	97.75%	AMERICAN EXPRESS COMPANY	NY	\$142,573,322	0.94%
7	\$70,000	\$31,000	125.81%	GOLDMAN SACHS GROUP, THE	NY	\$879,661,000	0.38%
8	\$67,966	\$63,022	7.84%	DISCOVER FINANCIAL SERVICES	IL	\$60,721,686	7.73%
9	\$58,000	\$52,000	11.54%	ALLY FINANCIAL INC.	MI	\$176,791,000	1.24%
10	\$54,713	\$57,372	-4.63%	REGIONS FINANCIAL CORP.	AL	\$135,392,660	3.82%
11	\$53,000	\$40,000	32.50%	JPMORGAN CHASE & CO.	NY	\$2,011,851,000	0.21%
12	\$43,555	\$43,427	0.29%	BANCORPSOUTH, INC.	MS	\$13,403,613	39.00%

Source: *Michael White-Prudential Bank Holding Company Fee Income Report*  
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Among companies with significant banking activities as of June 30, 2010, Wells Fargo & Company (CA) topped the leader board with insurance brokerage earnings of \$1.005 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 \$484.0 million in insurance brokerage revenue in first half 2010. (Not shown in the accompanying list of companies is MetLife, Inc., which did not engage in significant banking activities.)

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Five of the top nine producers of insurance brokerage were BHCs chartered during the financial crisis: Morgan Stanley (NY), American Express (NY), The Goldman Sachs Group (NY), Discover Financial (IL) and Ally Financial (MI), the former GMAC Inc. Excluding these recently minted BHCs, the banking industry still achieved an 8.9% increase in insurance brokerage income in first half 2010.

Bank holding companies over \$10 billion in assets continued to have the highest participation (89.6%) in insurance brokerage activities. These BHCs produced \$6.50 billion in insurance fee income in the first half of 2010, 15.9% more than the \$5.66 billion they produced in first half 2009. These large bank holding companies accounted for 94.6% of all BHC insurance brokerage fee income earned in first half 2010.

“Despite the continuation of a difficult economy, insurance brokerage income is strengthening, particularly among larger institutions,” said Joan H. Cleveland, senior vice president, Business Development with Prudential’s Individual Life Insurance business. “Throughout the bank market, we are seeing a revitalized interest in life insurance. Many people are recognizing that this is an important time to assess their life insurance needs and ensure that the right amount of protection is in place for their loved ones - as well as their businesses.”

Among BHCs with assets between \$1 billion and \$10 billion, leaders in insurance brokerage income in the first half 2010 included Eastern Bank Corporation (MA), Old National Bancorp (IN), Stifel Financial (MO), Trustmark Corporation (MS), and Johnson Financial Group, Inc. (WI). BHCs of this size registered a 6.2% decrease in insurance brokerage income to \$299.8 million in first half 2010, down from \$319.7 million in first half 2009.

Among BHCs with assets between \$500 million and \$1 billion, leaders were Two Rivers Financial Group (IA), 473 Broadway Holding Corporation (NY), Texas Independent Bancshares (TX), Evans Bancorp (NY), and Northeast Bancorp (ME). These BHCs experienced a decline of 3.0% 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 Towne Bank (VA), The Oneida Savings Bank (NY), Soy Capital Bank and Trust Company (IL), The Adirondack Trust Company (NY), and Hoosac Bank (MA).

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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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