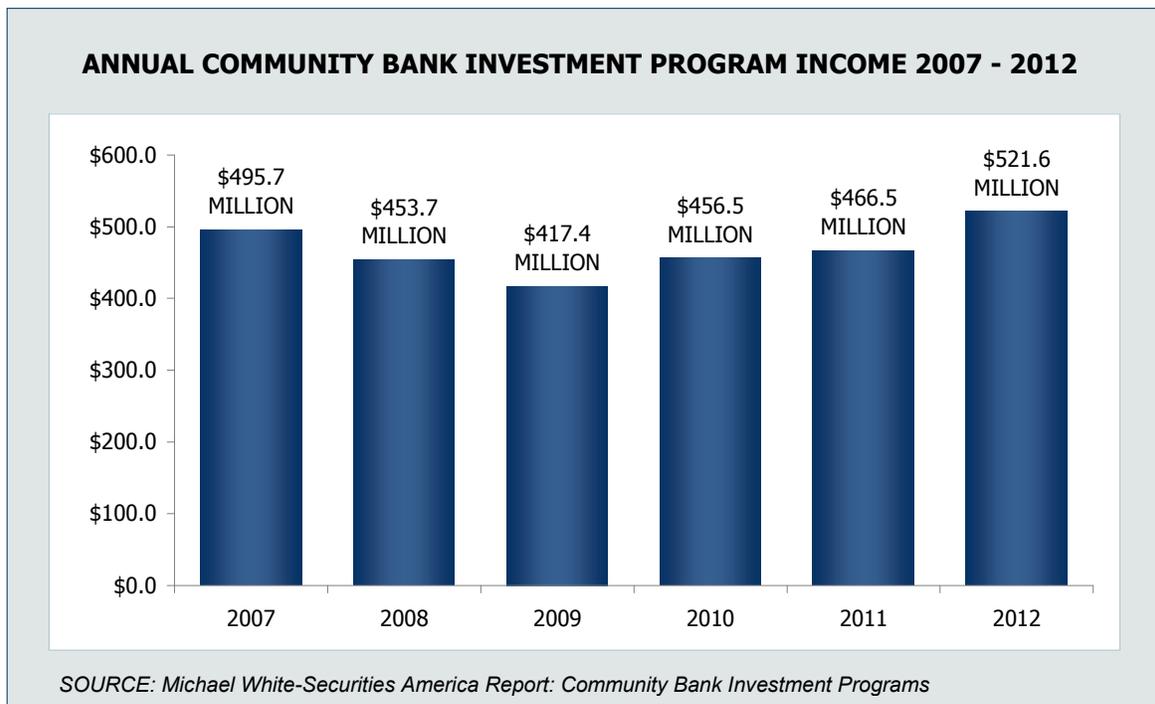


N E W S R E L E A S E

***Michael White-Securities America Report:*
Community Bank Investment Programs Grow 11.8% in 2012**

FOR IMMEDIATE RELEASE – Radnor, PA, and La Vista, NE, April 10, 2013 – Community bank investment programs grew by 11.8% in 2012 with double-digit increases in both securities brokerage fee income and annuity commissions and fees, according to the *Michael White-Securities America Report: Community Bank Investment Programs*™.

Sponsored by Securities America and issued by Michael White Associates, LLC, the report measures and benchmarks investment programs at community banks, i.e., banks and savings associations or thrifts with less than \$4 billion in assets. The current quarterly report is based on data reported by all 7,083 financial institutions (collectively, “banks”) operating on December 31, 2012. The annual report specially examines the 6,881 community banks among the 7,083, and further segments them into five asset classes for performance analyses.



Michael Anderson, First Vice President of Financial Institutions/Mergers & Acquisitions at Securities America, said, “Total revenues of community bank investment programs rose to their highest point since 2007, when we were first able to measure them. Better still, hundreds of bank programs have been growing as they begin to put some distance between them and the recession of the last four years. Of 614 community banks that reported investment program income in 2011 and earned minimum revenues of \$150,000 in 2012, 377 banks or more than three in five (61.4%) grew their investment program income, and 252 banks or two in five (41.0%) grew it at a rate of 10% or better so far.”

Program Production

In 2012, 1,501 or 21.8% of community banks participated in investment program activities, producing \$521.6 million in program income, up 11.8% from \$466.5 million in 2011. Fourth quarter 2012 program income of \$127.5 million decreased 0.6% from \$128.2 million in third quarter 2012 but rose 19.8% from \$106.4 million in fourth quarter 2011. Each of the four quarters of 2012 achieved revenues greater than any prior year's quarter since third quarter 2007.

These community banks achieved average investment program fee income of \$347,528 in 2012, up 9.1% from \$318,456 in 2011. Average investment program fee income in 2012 marks the high-water mark since banks began reporting investment program income in 2007. The number of banks participating in investment program activities was up by 2.5% from 1,464 banks in 2011 to 1,501 banks and thrifts in 2012, as the drop in banks was offset by the entry of 95 savings associations/thrifts newly reporting investment program income. Still, the total number of community banks and thrifts fell 3.8% from 7,155 in 2011 to 6,881 in 2012.

Program Penetration

The Penetration of an investment program is measured as the amount of program revenue generated per million dollars of core or retail deposits. These deposits substitute as a measure of retail customers and the breadth of the customer relationship, since the data for retail customers or retail households are hard to obtain on a reliable, national, and standardized basis.

“In 2012, community banks attained a mean Penetration Ratio of \$760 of investment program income per million dollars of retail bank deposits,” said Michael White, president of Michael White Associates and author of the report. “In contrast, big banks with assets over \$4 billion attained a higher mean Investment Program Penetration of \$906 per million dollars of retail deposits. The higher amount indicates that community banks can further grow their programs by increasing penetration of their customer bases.”

2012 INVESTMENT PROGRAM INCOME PERFORMANCE BENCHMARKS FOR COMMUNITY BANKS		
MEAN PERFORMANCE MEASURES	2012	2011
Production - Dollar Volume	\$347,528	\$318,456
Concentration - % of Noninterest Income (adjusted)	7.94%	6.85%
Penetration – \$ per Million Dollars of Retail Deposits	\$760	\$752
Productivity - \$ per Bank Employee	\$2,400	\$2,302
Density - \$ per Domestic Office	\$49,716	\$49,652

SOURCE: Michael White-Securities America Report: Community Bank Investment Programs™

Program Concentration

Program Concentration calculates the portion of total noninterest income attributable to a specific kind of noninterest fee income. This ratio enables us to know how concentrated or meaningful bank investment programs are among their banks' non-lending activities.

As a group, community banks achieved a higher mean Concentration of investment program income to noninterest income than larger banks in 2012. As a group, community banks attained a Concentration ratio of 7.9%. Large banks, those with assets greater than \$4 billion, had a lower mean Concentration ratio of 5.4%, reflecting the fact that, in their case, they tend to have more sources of noninterest income in larger volumes than just investment program income.

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Program Productivity

Investment Program Productivity measures the amount of program fee income per bank employee. Program Productivity enables us to assess the relative generation of income among bank employees, which are frequently the important human assets in generating customer referrals and the attendant fee income earned from those customer relationships. In 2012, mean community bank Program Productivity was \$2,400 per bank employee, up 4.4% from \$2,299 in 2011, reaching the highest level of productivity since MWA began analyzing these data in 2007. Community banks with assets between \$1 billion and \$4 billion generated the highest level of Program Productivity at \$2,712 in program revenue per bank employee.

Program Density

Measured as the amount of program fee income per domestic banking office, Program Density evaluates the relative density of program income among banking locations, the critical physical assets in generating investment program income. Mean density per domestic community bank office was \$49,652 at December 31, 2012, up 0.3% from \$49,501 in 2011.

Revenue Mix – Securities Brokerage

In 2012, community banks earned securities brokerage fee income of \$385.0 million, up 11.9% from \$344.0 million in 2011. Fourth quarter 2012 brokerage revenues of \$94.47 million were 0.6% or \$554,000 less than the \$95.02 million in third quarter 2012, but 19.1% more than \$79.33 million in fourth quarter 2011.

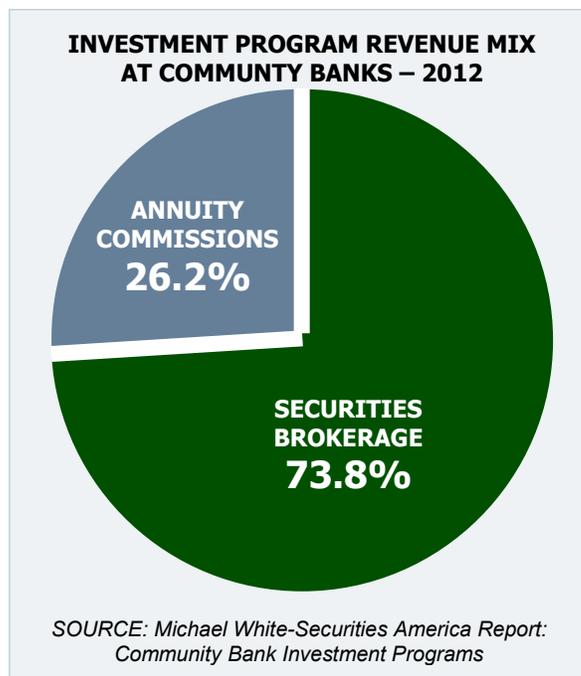
Security brokerage revenues constituted 73.8% of total investment program income of \$521.6 million in 2012, unchanged from a cumulative mix of 73.8% in 2011.

Of the 1,501 banks with assets under \$4 billion that reported earning investment program income in 2012, 1,297 banks or 86.4% reported earning commissions and fees from securities brokerage, and 619 banks or 41.2% reported earning securities brokerage fee income only.

Revenue Mix – Annuities

Community banks earned annuity fee income of \$136.7 million through December 31, up 11.5% from \$122.6 million in 2011. Fourth quarter 2012 annuity revenues of \$33.0 million were down 0.4% from \$33.2 million in third quarter 2012 and up 21.8% from \$27.1 million in fourth quarter 2011.

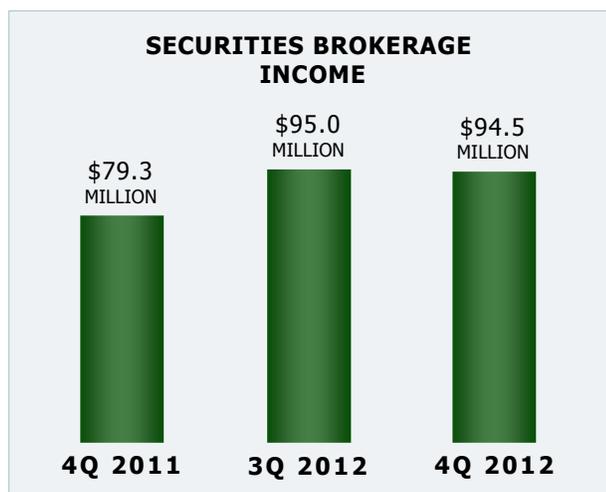
Annuity commissions constituted 26.2% of community bank investment program income of \$521.6 million in 2012, same as 2011's annuity revenue mix of 26.2%. With 14.2% of program income from annuities, bigger banks with assets in excess of \$4 billion had a considerably lower mix of annuity commissions in their investment programs in 2012; their 2011 mix was 2.7 points lower than the 16.9% mix in 2011.



Of the 1,501 community banks that reported earning investment program income in 2012, 882 banks or 58.8% reported earning annuity commissions, and 204 banks or 12.1% reported earning annuity income only. This latter finding of 204 banks reporting only annuity income may be indicative of banks that have only platform annuity or licensed bank employee (LBE) programs and not full-product or hybrid investment programs.

Leaders – Investment Program

In 2012, leaders in investment program fee income among big banks with assets under \$4 billion were CenterState Bank of Florida (FL) with \$36.96 million, up 40.5% from \$26.30 million in 2011; North Shore Community Bank & Trust Company (IL) with \$17.50 million in 2012, up 10.5% from \$15.84 million in 2011; TIB The Independent Bankersbank (TX) with \$12.97 million, down 1.0% from \$13.10 million; United Bankers' Bank (MN) with \$6.96 million, down 0.30% from \$6.98 million in 2011; and Espirito Santo Bank (FL) with \$5.92 million, down 8.1% from \$6.44 million. (Not all income in some investment programs is derived from activities conducted for retail customers. For instance, CenterState Bank of Florida and bankers' banks sell securities, particularly bonds, for other community banks. When bank lending is tight and there are higher deposits and fewer loans, the increased liquidity of banks' balance sheets also increases community banks' demand for bonds.)



SOURCE: Michael White-Securities America Report:
 Community Bank Investment Programs™



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Leaders – Annuities

In 2012, leaders in annuity fee income among banks under \$4 billion in assets were CenterState Bank (FL) with \$2.12 million, up from only \$27,000; Bank Mutual (WI) with \$2.11 million, as a thrift not reporting its 2011 annuity fee income; AnchorBank, fsb (WI) with \$2.04 million, another thrift that did not report annuity income before 2012; Univest Bank and Trust Co. (PA) with \$1.75 million in 2012, up 759.3% from \$204,000 in 2011; and First Victoria National Bank (TX) with \$1.73 million, down 6.2% from \$1.85 million.

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About Securities America

Headquartered in La Vista, Neb., Securities America Inc. is the nation's eighth largest independent broker-dealer (as ranked by Financial Planning magazine, June 2012, based on 2011 total revenue). For more than 25 years, Securities America's mission has been to foster the success of financial professionals so they can provide quality, objective financial counsel and services to their clients. Advisors benefit from the firm's industry-leading programs in practice management, advisory services and retirement income distribution, supported by state-of-

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About Michael White Associates

Michael White Associates, LLC (MWA) is a consulting, publishing and research firm headquartered in Radnor, PA, and online at www.BankInsurance.com. Produced by Michael White and Michael White Associates, LLC (MWA), the *Michael White-Securities America Report: Community Bank Investment Programs*[™] measures and benchmarks the performance of community banks' investment programs. The annual *Equias Alliance/Michael White BOLI Holdings Report*[™] and *Michael White-Dowling Hales Bank Insurance Fee Income Report*[™] provide, respectively, comprehensive analyses of bank-owned life insurance assets and bank insurance brokerage fee income. Additionally, the *MWA Fee Income Ratings Reports*[™] 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.

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