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N E W S R E L E A S E

Michael White Reports BankInsurance Income Rises In First Quarter 2015

FOR IMMEDIATE RELEASE – Radnor, PA, July 28, 2015 – Bank holding companies (BHCs) generated \$1.54 billion in insurance brokerage fee income in first quarter 2015, up 2.2% from \$1.51 billion in first quarter 2014, according to the *Michael White Bankinsurance Fee Income Report™*. Of 576 large top-tier BHCs, 356 or 61.8% reported insurance brokerage fee income in first quarter 2015.

Compiled by Michael White Associates (MWA), 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 6,419 commercial banks, savings banks and savings associations (thrifts) and 576 large top-tier bank and thrift holding companies (collectively, BHCs) with consolidated assets greater than \$1 billion operating on March 31, 2015. Several BHCs that are historically insurance or commercial companies have been excluded from this report in order to better understand the insurance performance of financial institutions that historically have engaged in significant banking activities. 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-END MARCH 31, 2015 – NATIONALLY**

R A N K	INSURANCE BROKERAGE FEE INCOME		PERCENT CHANGE	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	1Q 2015	1Q 2014					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$404,580	\$395,907	2.19%	BB&T Corporation	NC	\$189,223,958	40.98%
2	\$353,000	\$394,000	-10.41%	Wells Fargo & Company	CA	\$1,737,736,000	3.55%
3	\$125,000	(\$31,000)	N/A	Bank of America Corporation	NC	\$2,138,676,000	1.15%
4	\$119,000	\$204,000	-41.67%	Citigroup Inc.	NY	\$1,831,717,000	1.48%
5	\$44,000	\$45,000	-2.22%	American Express Company	NY	\$154,168,000	0.68%
6	\$35,242	\$30,508	15.52%	Regions Financial Corp.	AL	\$122,515,877	7.91%
7	\$33,587	\$31,703	5.94%	BancorpSouth, Inc.	MS	\$13,635,049	46.97%
8	\$20,809	\$20,645	0.79%	Eastern Bank Corporation	MA	\$9,665,706	50.32%
9	\$19,728	\$12,317	60.17%	Associated Banc-Corp	WI	\$27,064,876	24.64%
10	\$18,058	\$19,458	-7.19%	First Command Financial Services	TX	\$967,534	29.84%
11	\$17,000	\$19,000	-10.53%	Morgan Stanley	NY	\$826,413,000	0.19%
12	\$16,994	\$18,837	-9.78%	Discover Financial Services	IL	\$83,865,086	3.73%

Source: *Michael White Bankinsurance Fee Income Report™*

The number of BHCs in first quarter on track to generate \$1 million in insurance brokerage in 2015 declined to 149, down 16.3% from 178 in first quarter 2014. Among those on track, 77 or 51.7% reported increased insurance earnings compared to first quarter 2014, and 70 BHCs or 47.0% reported decreased earnings.

MWA President Michael White said: “The positive story is that the number of BHCs that experienced double-digit increases (46) in brokerage income in first quarter 2015 exceeded those with double-digit decreases (33) by 39.4%. Furthermore, three-fifths (59.7%) of those potential million dollar earners with increased insurance brokerage income recorded double-digit increases.” White added, “Agency acquisition remains a compelling strategy for generating immediate and meaningful growth in bank fee income. Additionally, Main Street agency owners continue to be attracted to banks for the natural cross selling they present, while allowing the owner to retain operational autonomy.”

In first quarter 2015, BB&T Corporation (NC), which owns more agencies than any other financial holding company, topped the leader board with insurance brokerage earnings of \$404.6 million in first quarter. Wells Fargo & Company (CA) ranked second nationally with \$353.0 million; and Bank of America Corporation (NC) ranked third with \$125.0 million in insurance brokerage revenue.

Bank holding companies with over \$10 billion in assets continued to have the highest participation (78.6%) in insurance brokerage activities. These BHCs produced \$1.35 billion in insurance fee income in first quarter 2015, up 4.2% from the \$1.30 billion they produced in first quarter 2014.

Among BHCs with assets between \$1 billion and \$10 billion, leaders in insurance brokerage income in first quarter 2015 included Eastern Bank Corporation (MA), Stifel Financial Corp. (MO), Lauritzen Corporation (NE), Johnson Financial Group, Inc. (WI), and Tompkins Financial Corporation (NY). Participating in insurance brokerage at a rate of 58.4%, BHCs of this size registered a 10.0% decline in insurance brokerage income to \$191.4 million in first quarter 2015, down from \$212.6 million in first quarter 2014.

The smallest community banks with less than \$1 billion in assets 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 The Oneida Savings Bank (NY), Soy Capital Bank and Trust Company (IL), Choice Financial Group, Inc. (ND), Benchmark Bank (TX), Industry State Bank (TX), Saco & Biddeford Savings Institution (ME), Marlin Business Bank (UT), First Western Bank & Trust (ND), First South Bank (TN), and SussexBank (NJ). These small banks registered a 3.7% increase in insurance brokerage income to \$72.9 million, up from \$70.2 million in first quarter 2014.

Among the top 50 BHCs nationally in insurance brokerage concentration (i.e., insurance brokerage income as a percent of noninterest income), the median Insurance Brokerage Concentration Ratio was 46.7%. Among the top 50 small banks in insurance brokerage concentration that are serving as proxies for small BHCs, the median Insurance Brokerage Concentration Ratio was 66.6% of noninterest income in first quarter 2015.

Among the top 50 BHC leaders in insurance brokerage productivity (i.e., insurance brokerage income per BHC employee), the median Insurance Brokerage Productivity Ratio was \$23,298 per BHC employee in first quarter 2015, up 12.0% from \$20,808 in first quarter 2014. Among the top 50 small banks in insurance brokerage productivity, the median Insurance Brokerage Productivity Ratio was an annualized \$30,516 per bank employee in first quarter 2015, up 7.8% from \$28,308 in first quarter 2014.

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Michael White Associates (MWA) is a bankinsurance consulting firm headquartered in Radnor, PA, and at www.BankInsurance.com. The annual *Michael White Bankinsurance Fee Income Report*[™] and *Sorrento Financial - Michael White Bank Wealth Management Report*[™] provide comprehensive analyses of, respectively, bankinsurance brokerage and underwriting income and multi-faceted sources of bank wealth management fee income. Additionally, the *MWA Fee Income Ratings Reports*[™] compare, rank and rate a particular financial

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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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