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Fruitful Yield

WEALTH MANAGEMENT PROGRAMS AT BANKS CONTINUE TO BRING IN MORE & MORE FEE INCOME

UNIVEST ACQUIRES INVESTMENT ADVISORY FIRM GIRARD PARTNERS

Souderton, PA-based, $2.2 billion-asset Univest Corporation of Pennsylvania (Univest), through Univest Bank & Trust Co., has acquired King of Prussia, PA-based Girard Partners, a registered investment advisory firm with $500 million in assets under management.

Univest President and CEO Jeff Schweitzer said, "We believe diversification in our business is critical to long-term success." He added, "We are pleased to add Girard Partners to the Univest family, and we remain focused on growing our businesses both organically and through acquisition." The Girard acquisition expands Univest's advisory capabilities and boosts its assets under management to $3 billion.

Girard Partners will operate as a Univest Company and will continue to be led by current President Kevin Norris. The investment advisory firm's 12-person team will also continue to operate from offices in King of Prussia, PA, Richmond, VA, and Fort Meyers, FL.

In 2012, Univest's securities brokerage income and combined investment banking, advisory and underwriting fees and commissions comprised, respectively, 6.2% and 2.6% of its noninterest income. The company ranked 39th and 43rd, respectively, in securities brokerage income and investment banking and advisory fees among BHCs with assets between $1 billion and $10 billion, according to the *Michael White - IPI Bank Wealth Management Report*.

25% DROP IN MORTGAGE BANKING INCOME DRAGS WELLS FARGO'S NONINTEREST INCOME DOWN

San Francisco-based, $1.5 trillion Wells Fargo & Co. reported insurance earnings in 2013 slipped 2% to $1.81 billion, down from $1.85 billion in 2012, while trust and investment fees grew 13% to $13.43 billion, up from $11.89 billion. Insurance earnings and trust and investment fees comprised, respectively, 4.4% and 32.8% of noninterest income, which slid 4% to $40.98 billion, down from $42.86 billion in 2012, impacted by a 25% drop ($2.86 billion) in mortgage banking income.

Net interest income on a 3.39% net interest margin dipped 1% to $42.80 billion, down from $43.23 billion in 2012, reflecting a 3% decline ($1.30 billion) in interest income, which could not be covered by a 17% cut ($872 million) in interest expense. Net interest income, after a 68% drop in loan loss provisions to $2.31 billion, however, grew 12% to $40.49 billion, up from $36.01 billion in 2012. Net income, after a 3% ($1.56 billion) cut in noninterest expense climbed 16% to a record $21.88 billion, up from $18.90 billion in 2012, and net income available to common shareholders climbed the same percentage to $20.89 billion, up from $18 billion. Wells Fargo Chief Financial Officer Tom Sloan said, "Wells Fargo's diversified model was again able to produce solid results for our shareholders."

In 2012, Wells Fargo's insurance brokerage and wealth management programs comprised, respectively, 3.7% and 28.1% of its noninterest income, and 1.8% and 13.8% of its net operating revenue. The company ranked 1st and 5th, respectively, in insurance brokerage income and wealth management earnings among all BHCs, according to the *Michael White Bank Insurance Fee Income Report* and the *Michael White - IPI Bank Wealth Management Report*.

INSURANCE EARNINGS RISE & GROWING TIM FEES BYPASS SERVICE CHARGES AT CULLEN/FROST

San Antonio, TX-based, $24.3 billion-asset Cullen/Frost Bankers reported insurance brokerage fee income in 2013 grew 8.0% to $43.14 million, up from $39.95 million in 2012, helped by the fourth quarter acquisition of Houston-based Kolkhorst Insurance. Additionally, trust and investment management (TIM) fees, rose 9.7% to $91.38 million, up from $83.32 million, bypassing service charges on deposit accounts, which declined 2.4% to $81.43 million. Insurance brokerage and TIM earnings comprised, respectively, 14.2% and 30.2% of noninterest income, which rose 4.9% to $302.82 million, up from $288.79 million in 2012.

Net interest income in 2013 increased 2.6% to $620.56 million, up from $604.86 million in 2012, but after a more than doubling of loan loss provisions to $20.58 million, rose only 0.9% to $599.97 million, up from $594.78 million. Net income, however, ticked down 0.03% to $237.87 million from $237.95 million in 2012, after a $36.82 million climb in noninterest expense to $611.91 million. Net income available to shareholders slid 2.9% to $231.15 million, from $237.95 million in 2012. Cullen/Frost Chairman and CEO Dick Evans called the results "solid ... in a sluggish but slowly improving economy."

In 2012, Cullen/Frost Bankers' insurance brokerage and wealth management programs comprised, respectively, 14.5% and 34.5% of its noninterest income, and 4.5% and 10.8% of its net operating revenue. The company ranked 19th and 38th, respectively, in insurance brokerage income and wealth management earnings among all BHCs, according to the *Michael White Bank Insurance Fee Income Report* and the *Michael White - IPI Bank Wealth Management Report*.

GROWING INSURANCE & TIM FEES COUNTER DROP IN MORTGAGE BANKING INCOME AT VALLEY NATIONAL

Wayne, NJ-based, $16.2 billion-asset Valley National Bancorp reported insurance brokerage fee income in 2013 rose 2.7% to $15.91 million, up from $15.49 million in 2012, and trust and investment management (TIM) fees grew 12.0% to $8.61 million, up from $7.69 million. In contrast, income from bank-owned life insurance (BOLI) income fell 13.1% to $5.96 million, down from $6.86 million. Insurance brokerage, TIM and BOLI income comprised, respectively, 12.4%, 6.7% and 4.6% of noninterest income, which rose 6.4% to $128.65 million, up from $120.95 million in 2012, driven by increased TIM and insurance income and net gains on securities transactions, which countered an over $13 million drop in mortgage loan sales.

Net interest income declined 8.6% to $447.72 million, down from $489.88 million in 2012, reflecting a $55.10 million drop in interest income that could not be covered by a $12.94 million cut in interest expense. Net interest income, after a $9.46 million drop in loan loss provisions to $16.10 million, declined 7.0% to $431.63 million, down from $464.33 million. Net income, impacted by decreased interest earnings and increased noninterest expense, fell 8.1% to $131.96 million, down from $143.63 million in 2012.

In 2012, Valley National's insurance brokerage income and combined investment banking, advisory and underwriting fees and commissions comprised, respectively, 11.4% and 5.2% of its noninterest income. The company ranked 31st and 35th, respectively, in insurance brokerage income and investment banking and advisory fees among BHCs with assets over $10 billion, according to the *Michael White Bank Insurance Fee Income Report* and the *Michael White - IPI Bank Wealth Management Report*.

HANCOCK REPORTS GROWING TRUST, SECURITIES BROKERAGE & INSURANCE EARNINGS

Gulfport, MS-based, $19.0 billion-asset Hancock Holding Company reported insurance brokerage fee income in 2013 ticked up 0.7% to $15.80 million from $15.69 million in 2012; securities brokerage and annuity fees increased 8.5% to $19.57 million, up from $18.03 million; and trust fees grew 16.6% to $38.19 million, up from $32.74 million. Insurance brokerage, combined securities brokerage and annuity earnings, and trust fees comprised, respectively, 6.4%, 8.0% and 15.5% of noninterest income, which slid 3.0% to $246.14 million, down from $253.75 million in 2012, impacted by drops in mortgage banking revenue and combined bank card and ATM fees.

Net interest income declined 4.3% to $691.14 million, down from $722.45 million in 2012, reflecting a $44.51 million decrease in interest income, which could not be covered by a $10.20 million cut in interest expense. Net interest income, after a $21.46 million drop in loan loss provisions to $32.73 million, slipped 1.5% to $658.41 million, down from $668.26 million. Net income, however, benefited from a $34.79 million cut in noninterest expense and grew 7.7% to $163.36 million, up from $151.74 million in 2012.

In 2012, Hancock Holding's insurance brokerage and wealth management earnings comprised, respectively, 6.3% and 20.5% of its noninterest income, and 1.6% and 5.3% of its net operating revenue. The company ranked 40th and 49th, respectively, in insurance brokerage and wealth management income among all BHCs, according to the *Michael White Bank Insurance Fee Income Report* and the *Michael White - IPI Bank Wealth Management Report*.

ACQUISITIONS BOLSTER INSURANCE & WEALTH MANAGEMENT INCOME AT TRUSTMARK

Jackson, MS-based, $11.8 billion-asset Trustmark Corp. reported insurance brokerage fee income in 2013 grew 9.3% to $30.83 million, up from $28.21 million in 2012, helped by the fourth quarter opening of new agency offices in Oxford, MS and Nashville, TN. Additionally, wealth management earnings, bolstered by the Banc Trust acquisition, climbed 28% to a record $29.48 million, up from $23.06 million. Insurance brokerage and wealth management earnings comprised, respectively, 17.7% and 17.0% of noninterest income, which declined 0.8% to $173.86 million, down from $175.19 million in 2012, impacted by a $7.4 million drop in mortgage banking income and a $7.98 million loss in other income. Still, Trustmark President and CEO Gerard Host said, "We continued to build upon and expand customer relationships, as reflected by growth in our wealth management and insurance businesses."

Net interest income on a 4.01% net interest margin climbed 17.6% to $403.32 million, up from $343.09 million in 2012, reflecting increased interest income and decreased interest expense. Net interest income, after a reversal of $7.38 million in loan loss provisions, jumped 19.7% to $410.71 million, up from $343.09 million. Net income, however, ticked down 0.2% to $117.06 million from $117.28 million, impacted by a $71.23 million increase in noninterest expense largely tied to acquisitions.

Commenting on Trustmark's 2013 performance, Host said, "During the year, we successfully completed the largest acquisition [Banc Trust] in our history, entering a number of new markets throughout Alabama as well as enhancing our position in the Florida panhandle." Looking ahead, Host said, "Trustmark remains well-positioned to continue meeting the needs of our customers and creating value for our shareholders."

In 2012, Trustmark's wealth management income and insurance brokerage fee income comprised, respectively, 13.8% and 16.9% of its noninterest income. The company ranked 15th in wealth management earnings and 4th in insurance brokerage income among U.S. bank holding companies with assets between $1 billion and $10 billion, according to the *Michael White - IPI Bank Wealth Management Report* and the *Michael White Bank Insurance Fee Income Report*.

U.S. BANK AND THRIFT WEALTH MANAGEMENT EARNINGS GROW 10.5%

U.S. bank and thrift holding companies (BHCs) reported wealth management earnings in the first three quarters of 2013 grew 10.5% to an aggregate $99.15 billion, up from $89.74 billion during the same period in 2012, , according to the *Michael White - IPI Bank Wealth Management Report*.

Over half (53.7%) of U.S. BHCs reported wealth management fee income, which includes four sources of revenue: securities brokerage (the only necessary component), annuity sales, fiduciary activities and investment advisory/banking services. Just 20.8% of BHCs that reported wealth management earnings benefited from all sources of that revenue, but all (100%), as required, included securities brokerage in their wealth management reporting. Income from fiduciary activities ranked second in terms of percentage of BHCs reporting that revenue (64.4%), followed by annuity sales (63.5%) and investment advisory/banking

TOP 12 BANK HOLDING COMPANIES WITH THE FASTEST GROWING WEALTH MANAGEMENT INCOME YTD 3Q 2013 - NATIONALLY

RANK	WEALTH MANAGEMENT INCOME 3Q 2013	3Q 2012	% CHANGE	BANK HOLDING COMPANY		ASSETS	% OF NONINT. INCOME
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	$382	$30	1173.33%	QNB Corp.	PA	$939,115	10.27%
2	$692	$66	948.48%	Monarch Financial Holdings	VA	$1,011,624	1.25%
3	$292	$45	548.89%	First Bemidji Holding Company	MN	$588,594	12.56%
4	$772	$187	312.83%	Columbia Bank MHC	NJ	$4,490,652	5.77%
5	$234	$82	185.37%	Customers Bancorp, Inc.	PA	$3,925,112	1.23%
6	$320	$115	178.26%	Southcreast Financial Grp, Inc.	GA	$562,367	5.65%
7	$738	$278	165.47%	Rockville Financial, Inc	CT	$2,224,550	5.76%
8	$3,947	$1,536	156.97%	Prosperity Bancshares, Inc.	TX	$16,060,463	5.74%
9	$122,143	$48,548	151.59%	TD Bank US Holding Company	ME	$231,671,353	10.96%
10	$16,376	$6,966	135.08%	New York Private Bank & Trust	NY	$6,675,795	5.51%
11	$11,456	$5,171	121.54%	Cadence Bancorp LLC	TX	$6,221,481	21.93%
12	$1,339	$629	112.88%	Capital Bank Financial Corp.	FL	$6,605,991	5.62%

BHCs with a minimum annualized wealth management income of $250,000 in 2013 ranked by program income growth. Excludes traditional insurance companies and mutual fund companies such as The Principal and T. Rowe Price. SOURCE: Michael White - IPI Bank Wealth Management Report

ings Bank (CT), Ledyard National Bank (VT), Delta Trust Bank (AR) and Nashville Bank & Trust (TN).

Over 80% (82.9%) of U.S. BHC wealth management programs were on track to earn a minimum $250,000 in that revenue in 2013. About 85% (84.8%) of that group showed growth in wealth management earnings with 56.2%, achieving double-digit growth and 32% achieving 20% growth or greater. Overall, U.S. BHCs averaged $173.04 million in wealth management fee income in the first three quarters of 2013.

QNB Corp (PA) recorded the greatest growth in wealth management fee income among all U.S. BHCs, with those earnings jumping 1,173% to $382,000. Virginia-based Monarch Financial Holdings ranked second (+949% to $692,000), followed by Minnesota-based First Bemidji Holding Company (+549% to $292,000); New Jersey-based Columbia Bank (+313% to $772,000); and Pennsylvania-based Customers Bancorp (+185% to $232,000).

Commenting on the increasing importance of growing wealth management revenue to U.S. BHC earnings, Investment Professionals Inc. (IPI) President

COMPONENT SHARES AS A PERCENT OF BHC WEALTH MANAGEMENT INCOME YTD 3Q 2013

ASSET CLASS	ANNUITIES	FIDUCIARY ACTIVITIES	INVESTMENT ADVISORY/ BANKING	SECURITIES BROKERAGE
ALL BHCS	2.5%	27.9%	37.8%	31.8%
BHCS OVER $10 BILLION	2.4%	27.8%	38.4%	31.4%
BHCS $1 BILLION – $10 BILLION	5.2%	30.3%	18.6%	46.0%
BHCS $500 MILLION – $1 BILLION	7.1%	35.7%	30.9%*	26.3%
SMALL BANK 'PROXIES' UNDER $500 MILLION	9.8%	44.7%	7.0%	38.5%

**Of the 30.9%, 21.6% was due to one institution.*
SOURCE: Michael White - IPI Bank Wealth Management Report

Jay McAnelly said, "Optimizing all components of a wealth management program in our current economy is a key factor in a bank's overall ROA." He added, "Community bank wealth management and investment program managers especially must continue to strengthen retail distribution of these essential products and services to help their banks offset declines in traditional banking revenues such as service charges and interest earnings."

For more on the Michael White - IPI Bank Wealth Management Report, click here.

TOP 5 LEADERS IN WEALTH MANAGEMENT INCOME YTD 3Q 2013

BHCS OVER $10 BILLION	
1	JPMorgan Chase & Co. (NY)
2	Morgan Stanley (NY)
3	Bank of America Corporation (NC)
4	The Goldman Sachs Group, Inc. (NY)
5	Wells Fargo & Co. (NY)
BHCS BETWEEN $1B - $10B	
1	Stifel Financial Corp. (MO)
2	Wedbush, Inc. (CA)
3	SWS Group, Inc. (TX)
4	Boston Private Financial Holdings, Inc. (MA)
5	Santander Bancorp (PR)
BHCS BETWEEN $500M - $1B	
1	First Command Financial
2	First National Bankers Bankshares (LA)
3	Baker Boyer Bancorp (WA)
4	First Bankers Trustshares, Inc. (IL)
5	United Bankers' Bancorporation (MN)
SMALL BANK 'PROXIES' UNDER $500M	
1	The Haverford Trust Company (PA)
2	Essex Savings Bank (CT)
3	Ledyard National Bank (VT)
4	Delta Trust & Bank (AR)
5	Nashville Bank and Trust Company (TN)

SOURCE: Michael White - IPI Bank Wealth Management Report

WESTFIELD FINANCIAL PARTNERS WITH CHARTER OAK INSURANCE & FINANCIAL SERVICES

Westfield, MA-based, $1.27 billion-asset Westfield Financial unit Westfield Bank has entered into a strategic partnership with Charter Oak Insurance and Financial Services Co. Under newly-formed Westfield Wealth Management & Insurance Group, agents at Charter Oak's Mount Holyoke office will offer wealth management, investment products, business and estate planning, life insurance and retirement services to Westfield Bank's 24,000 consumer and 2,400 business customers.

Westfield Bank Vice President Kevin O'Connor said, "Our customers expressed a need for local options in their insurance, investing and trust services." He added, "We are confident that bringing together local companies like Westfield Bank and Charter Oak to deliver a comprehensive program for consumer and business customers and the right direction for the bank."

Charter Oak Insurance and Financial Services Co. is a general agency of Massachusetts Mutual Life Insurance Company. Charter Oak has offices in Framington, Hamden, Southbury, Stamford and Mount Holyoke, MA.

$400 BILLION IN INSURANCE PREMIUMS UP FOR GRABS AS BANKS RANK AS TOP TRADITIONAL AGENCY ALTERNATIVE

Banks ranked as the number one choice for purchasing insurance outside the traditional agency system, according to a July 2013 Accenture survey conducted by Lightspeed Research. Over 40% (43%) of respondents said they would consider buying insurance from banks; online service providers ranked a distant second (23%), followed by as telecommunication and home security providers (20%), retailers (14%) and car dealers (12%).

At the same time, 40% of those surveyed said they are likely to switch their auto and/or homeowner's insurance providers over the next 12 months; 25% said they are likely to cancel their existing life insurance coverage, and 35% said they are likely to switch life insurance providers sometime during the coming year. Lower premiums (87%) and more personalized service (80%) were named as the top reasons for making the changes, with 41% saying they would pay higher premiums in return for personalized advice.

Accenture estimates that "up to $400 billion in insurance premiums could change hands within the insurance industry over the next twelve months." Accenture Director for Management Consulting (Insurance) Michael Lymon said, "The switching economy represents a huge opportunity." He added, "Personalization clearly emerges as a key driver in retaining existing customers and attracting new ones."

CITIGROUP TO PAY $110 MILLION TO SETTLE LENDER-BASED MORTGAGE INSURANCE ALLEGATIONS

New York City-based, $1.9 trillion-asset Citigroup has agreed to pay about $110 million to certain mortgage customers to settle charges that it inappropriately enriched itself by engaging in improper commission and reinsurance agreements in placing high-priced mortgage insurance on its mortgage loan customers whose own mortgage insurance had lapsed.

Citigroup agreed to (1) refund 12.5% of mortgage insurance premiums paid to each affected customer who submits a claim, (2) refund 8% of each lender-placed flood insurance and wind insurance premium, even though Citi received no commissions in these products, and (3) stop accepting commissions on lender-placed insurance for six years after the settlement is approved by the U.S. District, Northern District of New York, Reuters reports.

PRIVATE INSURERS UNLIKELY TO UNDERWRITE CATASTROPHIC LOSSES

Private insurers are unlikely to underwrite catastrophic losses caused by floods, earthquakes and war, according to the U.S. Government Accountability Office (GAO). The cost of underwriting these unpredictable losses would cause a spike in premiums and thereby limit consumer demand, and the risk associated with coverage could jeopardize insurer solvency.

Because of what the GAO describes as the "challenging mix of financial risk, political and regulatory issues, policy cost and consumer demand, ... response to the impact of disasters and other perils requires balance in the assumptions of risk and costs by state, local and federal government, homeowners and insurers," the GAO concluded.

MERRILL BANCSHARES ACQUISITION HELPS DRIVE TRUST EARNINGS UP 12% AT HEARTLAND FINANCIAL

Dubuque, IA-based, $5.92 billion-asset Heartland Financial USA reported combined insurance and securities brokerage commissions climbed 23% in 2013 to $4.56 million, up from $3.70 million 2012; while income from bank-owned life insurance (BOLI) increased 8.3% to $1.56 million, up from $1.44 million. Additionally, trust fees grew 12% to $11.71 million, up from $10.48 million, bolstered by the fourth quarter acquisition of $809.2 million-asset Merriam, Kansas-based Morrill Bancshares, parent of Morrill & James Bank and Trust Company. Combined insurance and securities earnings, BOLI income and trust fees comprised, respectively, 5.1%, 1.7% and 13.1% of noninterest income, which fell 18% to $89.62 million, down from $108.66 million in 2012, impacted by a $6.88 million drop in securities gains and a $21.77 million tumble in gains on mortgage loan sales.

Net interest income on a 3.78% net interest margin grew 9.1% to $163.83 million, up from $150.16 million in 2012, driven by a $10.2 million increase in interest income, reflecting the fourth quarter acquisition of Morrill Bancshares and Sterling, IL-based, $67.1 million-asset Freedom Bank. Net interest income after a $1.50 million increase in loan loss provisions to $9.70 million grew 8.6% to $154.13 million, up from $141.95 million. Net income, however, after a $13.20 million jump in noninterest expense largely tied to acquisitions, dropped 26.1% to $36.85 million, down from $49.85 million in 2012, and net income available to shareholders fell 23.0% to $35.70 million, down from $46.39 million. Both results were "Heartland's second best in its 33-year history," Heartland Chairman, President and CEO Lynn Fuller said.

In 2012, Heartland Financial USA's fiduciary income comprised 11.8% of its noninterest income and 4.4% of its net operating revenue. The company ranked 35th in fiduciary earnings among BHCs with assets between $1 billion and $10 billion, according to the *Michael White - IPI Bank Wealth Management Report*.

WEALTH MANAGEMENT EARNINGS GROW 19% AT BERKSHIRE HILLS BANCORP

Pittsfield, MA-based, $5.67 billion-asset Berkshire Hills Bancorp CEO Michael Daly said, "We produced record revenue and earnings in 2013 due to ongoing expansion in our New England and New York footprint." He added, "Fee revenues increased in the final months of the year." For the year, wealth management fees grew 18.9% to $8.68 million, up from $7.30 million in 2012, while insurance brokerage fee income slid 7.4% to $10.02 million, down from $10.82 million. Wealth management and insurance brokerage earnings comprised, respectively, 14.9% and 17.2% of noninterest income, which increased 7.7% to $58.23 million, up from

$54.06 million in 2012, bolstered by a $4.46 million net gain on the sale of securities, which helped cover a $7.2 million drop in mortgage banking fees.

Net interest income grew 17.7% to $168.75 million, up from $143.39 million in 2012, reflecting a $27.81 million increase in interest income to $203.74 million, which more than made up for a $2.44 million rise in interest expense to $34.99 million. Net interest income, after a $1.79 million increase in loan loss provisions to $11.38 million, grew 17.6% $157.37 million, up from $133.80 million. Net income, despite a $17.5 million increase in noninterest expense, climbed 24.0% to $41.14 million, up from $33.19 million in 2012. Looking ahead, Daly said, "We enter 2014 with further initiatives to build on our progress." Those initiatives include the January 2014 acquisition of 20 New York branches from Bank of America and organic expansion into Loudonville, NY.

In 2012, Berkshire Hills' insurance brokerage and fiduciary income comprised, respectively, 28.7% and 9.1% of its noninterest income, and 5.5% and 2.4% of its net operating revenue. The company ranked 50th and 140th, respectively, in insurance brokerage income and fiduciary earnings among all BHCs, according to the *Michael White Bank Insurance Fee Income Report* and the *Michael White - IPI Bank Wealth Management Report*.

RENASANT'S GROWING INSURANCE & WEALTH MANAGEMENT EARNINGS BENEFIT FROM FIRST M&F ACQUISITION

Tupelo, MS-based, $5.7 billion-asset Renasant Corp. reported the September 2013 acquisition of Kosciusko, MS-based, $1.53 billion First M&F Corporation and "higher levels of consumer activity" drove "strong growth in ... wealth management and insurance fees and commissions which offset a reduction in mortgage-related income." Wealth management earnings in 2013 grew 10.5% to $7.65 million, up from $6.93 million in 2012, and insurance brokerage fee income jumped 37.1% to $4.98 million, up from $3.63 million. Wealth management and insurance brokerage earnings comprised, respectively, 10.6% and 6.9% of noninterest income, which rose 4.7% to $71.97 million, up from $68.71 million in 2012, despite declines in securities gains and mortgage banking revenue.

Net interest income grew 17.9% to $157.20 million, up from $133.34 million in 2012, bolstered by the First M&F acquisition, which helped drive interest income up 13.4% to $180.60 million, while interest expense was cut 10% to $23.40 million. Net interest income, after a $7.78 million drop in loan loss provisions to $10.35 million, climbed 27.5% to $146.85 million, up from $115.21 million. Net income, after a 15% increase in noninterest expense largely tied to the First M&F acquisition, climbed 25.7% to a record $33.49 million, up from $26.64 million in 2012. Renasant Chairman and CEO E. Robinson McGraw said, "We experienced a strong finish to a great year." He added, "One of our most significant accomplishments was our successful completion of the M&F merger, which is the largest merger in the history of our company."

In 2012, Renasant Corporation's insurance brokerage and wealth management programs comprised, respectively, 6.7% and 12.0% of its noninterest income, and 2.0% and 3.6% of its net operating revenue. The company ranked 52nd and 72nd, respectively, in insurance brokerage income and wealth management earnings among all BHCs, according to the *Michael White Bank Insurance Fee Income Report* and the *Michael White - IPI Bank Wealth Management Report*.

GROWING INSURANCE, INVESTMENT SERVICES & TRUST FEES COMPRISE 35% OF NONINTEREST EARNINGS AT PINNACLE FINANCIAL PARTNERS

Nashville, TN-based, $5.6 billion-asset Pinnacle Financial Partners reported investment services fee income in 2013 grew 15.2% to $8.04 million, up from $6.98 million in 2012; insurance brokerage earnings rose 1.8% to $4.54 million, up from $4.46 million; and trust fees climbed 17.2% to $3.75 million, up from $3.20 million. Investment services income, insurance brokerage earnings, and trust fees comprised, respectively, 17.1%, 9.6% and 8.0% of noninterest income, which grew 8.5% to $47.10 million, up from $43.40 million in 2012, as mortgage banking income dipped slightly and all other sources of noninterest income grew except sales of securities, which incurred a $1.47 million loss..

Net interest income increased 8.0% to $175.90 million, up from $162.86 million in 2012, reflecting a $5.86 million increase in interest income and a $7.17 million cut in interest expense. Net interest income, after a $2.29 million increase in loan loss provisions to $7.86 million, rose 6.8% to $168.04 million, up from $157.30 million. Net income, after a $15.84 million cut in noninterest expense, jumped 51.6% to $57.73 million, up from $38.07 million in 2012. Pinnacle Financial Partners President and CEO M. Terry Turner said, "We attracted several of the best bankers and investment professionals to our firm in 2013." With this and already established "client contact" talent, Turner said, "2013 total revenues grew 7.7% over 2012 ... all organic."

In 2012, Pinnacle Financial Partners' insurance brokerage and wealth management programs comprised, respectively, 15.4% and 35.2% of its noninterest income, and 2.3% and 5.3% of its net operating revenue. The company ranked 48th and 55th, respectively, in insurance brokerage income and wealth management earnings among all BHCs, according to the *Michael White Bank Insurance Fee Income Report* and the *Michael White - IPI Bank Wealth Management Report*.

CLIMBING INSURANCE EARNINGS DOMINATE 40% OF TOMPKINS' NONINTEREST INCOME

Ithaca, NY-based, $5.0 billion-asset Tompkins Financial Corp. reported insurance brokerage fee income in 2013 jumped 43.8% to $27.92 million, up from $19.42 million in 2012, and investment services earnings grew 5.4% to $15.11 million, up from $14.34 million, both propelled by the August 2012 acquisition of Wyomissing, PA-based VIST Financial and, what Tompkins Financial President and CEO Stephen Romaine described as "solid performance from our New York-based insurance and wealth management businesses."

Insurance brokerage income ranked as the highest contributor to noninterest earnings in 2013, comprising 39.9% of that revenue, while investment services fee income ranked as the second highest noninterest contributor, comprising 21.6% of that revenue, which climbed 27.5% to $69.90 million, up from $54.81 million in 2012, driven by insurance and investment services earnings.

Net interest income grew 20.1% to $161.13 million, up from $134.14 million in 2012, reflecting a $26.75 million increase in interest income to $185.10 million and a $238,000 cut in interest expense. Net interest income, after a $2.68 million drop in loan loss provisions to $6.16 million, climbed 23.7% to $154.97 million, up from $125.31 million. Net income, after a $15.49 million increase in noninterest expense largely tied to the

VIST acquisition, climbed 62.5% to a record $50.86 million, up from $31.29 million in 2012. Romaine said, "We are proud to report another record year of earnings performance." he added, "Business activity from our Pennsylvania franchise [VIST] contributed to our record performance, as did solid performance from our New York-based ... businesses."

In 2012, Tompkins Financial's insurance brokerage income comprised 35.5% of its noninterest income and 10.3% of its net operating revenue. The company ranked 6th in insurance brokerage earnings among BHCs with assets between $1 billion and $10 billion, according to the *Michael White Bank Insurance Fee Income Report*.

INSURANCE & ADVISORY EARNINGS COMPRISE 28% OF NONINTEREST REVENUE AT BENEFICIAL MUTUAL, DESPITE SLIP

Philadelphia, PA-based, $4.58 billion-asset Beneficial Mutual Bancorp reported combined insurance and advisory fee income in 2013 slipped 3.0% to $7.17 million, down from $7.39 million in 2012, and comprised 28.5% of noninterest earnings, which declined 9.0% to $25.13 million, down from $27.61 million in 2012, impacted by a $1.7 million decrease in mortgage banking income and a $1.5 million decline in net gains on investment securities sales.

Net interest income on a 2.81% net interest margin fell 11.3% to $123.74 million, down from $139.46 million in 2012, reflecting a $21.05 million drop in interest revenue which could not be covered by a $5.33 million cut in interest expense. Net interest income, after a $15 million drop in loan loss provisions to $13 million, slid 0.6% to $110.74 million, down from $111.46 million. Net income, after a $3.44 million decline in noninterest expense, declined 11.3% to $12.58 million, down from $14.18 million in 2012.

Beneficial Mutual Bancorp President and CEO Gerard Cuddy said, "throughout 2013 we made ... significant investments in talent, brand and technology to drive future growth." He added, "Our top priority remains improving our balance sheet mix, building out our lending teams and growing our loan portfolio."

In 2012, Beneficial Mutual Savings Bank's insurance brokerage income comprised 28.3% of its noninterest income and 3.9% of its net operating revenue. The company ranked 28th in insurance brokerage earnings among U.S. banks with assets between $1 billion and $10 billion, according to the *Michael White Bank Insurance Fee Income Report*.

U.S. APPLICATIONS FOR INDIVIDUALLY UNDERWRITTEN LIFE INSURANCE DOWN 3.4% IN 2013

U.S. applications for individually underwritten life insurance declined 3.4% in 2013 compared to 2012, reflecting a year-long downward trend, capped by a 7.5% drop in applications in December compared to December 2012, according to the MIB Life Index.

December applications among all age groups were off sharply, with applications among individuals aged 45-59 down 8.5%, those aged 0-44 down 7.6% and among those aged 60 and older down 5.3%. Application declines for the year mirrored those of December, with applications among individuals aged 45-59 registering the greatest decline (-4.1%), followed by individuals aged 0-44 (-3.6%) and those aged 60 and older (-1.2%), Braintree, MA-based MIB Group found.

Commenting on the year 2013 decline which exceeded the previous MIB Life Index low point of -1.6% measured in 2010, MIB Group President and CEO Lee Oliphant said, "A less than robust economic recovery, competing financial products, and an apparent lack of need in the minds of young consumers with growing families and mortgages continued to challenge the industry."

TRUST & INVESTMENT MANAGEMENT EARNINGS TICK UP AT REGIONS FINANCIAL

Birmingham, AL-based, $117 billion-asset Regions Financial Corp. reported trust and investment management (TIM) fee income in 2013 ticked up 0.5% to $196 million from $195 million in 2012, and comprised 9.7% of noninterest income, which slipped 3.8% to $2.02 billion, down from $2.10 billion in 2012, reflecting declines in gains on securities sales and mortgage banking income.

Net interest income slipped 1.2% to $3.26 billion, down from $3.30 billion in 2012, driven by a $257 million decline in interest income, which could not be covered by a $219 million cut in interest expense. However, net interest income, after a $75 million drop in loan loss provisions to $1.38 billion, rose 2.6% to $3.17 billion, up from $3.09 billion. With noninterest expense kept basically steady at $3.56 billion compared to $3.53 billion in 2012, net income remained flat at $1.12 billion, and net income available to shareholders grew 10.0% to $1.09 billion, up from $991 million in 2012. Regions Financial Chairman, President and CEO Grayson Hall said, "By focusing on meeting the financial needs of our customers and maintaining our efforts to operate more efficiently, we concluded the year with more customers and successfully lowered adjusted expenses."

In 2012, Regions Financial's insurance brokerage and fiduciary income comprised, respectively, 5.2% and 9.3% of its noninterest income and 2.0% and 3.6% of its net operating revenue. The company ranked 6th in insurance brokerage earnings among U.S. bank holding companies with assets over $10 billion, according to the *Michael White Bank Insurance Fee Income Report*, and it ranked 16th in earnings from fiduciary activities among U.S. bank holding companies with assets over $10 billion, according to the *Michael White - IPI Bank Wealth Management Report*.

WEALTH MANAGEMENT, INSURANCE & BOLI DOMINATE 46% OF NONINTEREST EARNINGS AT NATIONAL PENN

Boyertown, PA-based, $8.6 billion-asset National Penn Bancshares reported wealth management fee income grew 10.8% to $27.31 million, up from $24.63 million in 2012, and topped all other sources of noninterest revenue. Income from bank-owned life insurance (BOLI) also increased, rising 0.2% to $5.12 million, up from $5.11 million, while insurance brokerage fee income slipped 1.3% to $12.69 million, down from $12.86 million. Wealth management, BOLI and insurance brokerage income comprised, respectively, 27.8%, 5.2% and 12.9% of noninterest earnings, which rose 2.2% to $98.07 million, up from $95.97 million in 2012, driven by growing wealth management earnings and increased net gains from fair value changes of subordinated debentures.

Net interest income on a 3.51% net interest margin slipped 0.7% to $252.06 million, down from $254.00 million in 2012, reflecting a $28.55 million decline in interest income, which could not be covered by a $24.61 million cut in interest expense. Net interest income, after a $2.75 million drop in loan loss provisions to $5.25 million, however, ticked up 0.3% to $246.81 million from $246.01 million. Net income, impacted by a $71.60 million spike in noninterest expense driven by a $64.89 million loss on debt extinguishments and $6 million in corporate reorganization expense, dropped 46.0% to $53.39 million, down from $98.91 million in 2012. Looking ahead, National Penn Bancshares President and CEO Scott Fainor said, "The strength of National Penn's balance sheet and the expense reduction initiatives provide us with a solid base from which to grow."

In 2012, National Penn's insurance brokerage income comprised 13.7% of its noninterest income and 3.8% of its net operating revenue. The company ranked 12th in insurance brokerage earnings among all U.S. bank holding companies (BHCs) with assets between $1 billion and $10 billion, according to the *Michael White Bank Insurance Fee Income Report*.

GROWING TIM, INSURANCE & BOLI INCOME DRIVE EARNINGS GROWTH AT NORTHWEST BANCSHARES

Warren, PA-based, $7.9 billion-asset Northwest Bancshares reported trust and investment management (TIM) fee income in 2013 grew 9.3% to $9.33 million, up from $8.54 million in 2012; insurance brokerage fee income climbed 38.0% to $8.64 million, up from $6.26 million, and income from bank-owned life insurance (BOLI) rose 4.8% to $5.20 million, up from $4.96 million. TIM, insurance brokerage, and BOLI income comprised, respectively, 15.1%, 14.0% and 8.4% of noninterest earnings, which, driven by these growing sources of revenue and a $6.12 million gain in the sale of investments, rose 5.0% to $66.85 million, up from $58.90 million in 2012, despite a $3 million decrease in mortgage banking income.

Net interest income, in contrast, declined 4.2% to $251.88 million, down from $262.84 million in 2012, reflecting a $25 million drop in interest income, which could not be covered by a $14.04 million cut in interest expense. Net interest income, after an almost $8 million decline in loan loss provisions to $18.52 million, slid 1.3% to $233.36 million, down from $236.50 million. Net income, driven by noninterest earnings, including TIM, insurance brokerage and BOLI, rose 5.0% to $66.74 million, up from $63.56 million in 2012.

Northwest Bancshares President and CEO William Wagner said, "We are pleased to return some of our excess capital to our shareholders in the form of a special dividend." He added, "While our net interest margin continues to shrink, the rate of contraction has slowed."

In 2012, Northwest Bancshares reported insurance brokerage income comprised 10.2% of its noninterest income and 1.9% of its net operating revenue. The company ranked 27th in insurance brokerage earnings among U.S. bank holding companies (BHCs) with assets between $1 billion and $10 billion, according to the *Michael White Bank Insurance Fee Income Report*.

TRUST EARNINGS SPIKE AT NBT BANCORP ON ALLIANCE FINANCIAL ACQUISITION

Norwich, NY-based, $7.7 billion-asset NBT Bancorp reported combined insurance and securities brokerage fee income in 2013 grew 9.2% to $24.45 million, up from $22.39 million in 2012, and remained the top source of noninterest revenue. Additionally, trust fees bolstered by the March 2013 acquisition of Syracuse, NY-based, $1.4 billion-asset Alliance Financial, spiked 81.9% to $16.68 million, up from $9.17 million. Retirement plan administration fees climbed 13.9% to $11.50 million, up from $10.10 million, and income from bank-owed life insurance (BOLI) jumped 23.1% to $3.79 million, up from $3.08 million. Combined insurance and securities brokerage fee income, trust fees, retirement plan administration fees, and BOLI income comprised, respectively, 23.7%, 16.2%, 11.1% and 3.7% of noninterest earnings, which climbed 18.2% to $103.22 million, up from $87.33 million in 2012.

Net interest income on a 3.66% net interest margin grew 16.6% to $238.08 million, up from $204.20 million in 2012, reflecting a $29.33 million increase in interest income and a $4.55 million cut in interest expense. Net interest income, after a $2.16 million increase in loan loss provisions to $22.42 million, climbed 17.3% to $215.66 million, up $183.93 million. Net income, despite a $35 million jump in noninterest expense largely tied to the Alliance acquisition, grew 13.2% to $61.75 million, up from $54.56 million in 2012. NBT Bancorp said, "Strategic initiatives - including the successful acquisition and integration of Alliance, investments in training and technology, and expense control - all contributed to our strong financial results and have our company well-positioned for 2014 and beyond."

In 2012, NBT Bancorp's insurance brokerage income comprised 19.4% of its noninterest income and 5.8% of its net operating revenue. The company ranked 8th in insurance brokerage earnings among all U.S. bank holding companies (BHCs) with assets between $1 billion and $10 billion, according to the *Michael White Bank Insurance Fee Income Report*.

GROWING WEALTH MANAGEMENT & BENEFIT EARNINGS DOMINATE 53% OF NONINTEREST INCOME AT COMMUNITY BANK SYSTEMS

DeWitt, NY-based, $7.1 billion-asset Community Bank System reported new and expanded customer relationship and positive equity markets helped drive benefit trust, administration consulting and actuarial fees (benefit earnings) up 7.4% in 2013 to $38.60 million from $35.95 million in 2012. Additionally, organic growth and favorable markets accounted for 20.8% growth in wealth management earnings to $15.55 million, up from $12.87 million. Benefit and wealth management earnings comprised, respectively, 37.8% and 15.2% of noninterest income, which rose 3.0% to $102.18 million, up from $99.25 million in 2012, reflecting increases in all sources of noninterest revenue, including an $80.5 million spike in gains on sales of investment securities, which more than covered an $87.77 million loss in debt extinguishments.

Net interest income increased 3.3% to $238.09 million, up from $230.42 million in 2012, driven by a $24.91 million cut in interest expense, which more than covered a $17.24 million decline in interest income. Net interest income, after a $1.12 million decrease in loan loss provisions to $7.99 million, grew 4.0% to $230.10 million, up from $221.32 million. Net income, after an almost $10 million increase in noninterest expense largely tied to salaries and employee benefits, rose 2.3% to $78.83 million, up from $77.07 million in 2012.

Community Bank System President and CEO Mark Tyniski said, "The positive operating momentum that we carried into 2013 extended throughout the year, with strong organic loan growth, a substantial increase in our noninterest revenues, responsible management of operating expenses and continued positive asset quality performance."

In 2012, Community Bank System's "other noninterest income" comprised 55.1% of its noninterest income and 16.6% of its net operating revenue. The company ranked 16th in other noninterest earnings among all U.S. bank holding companies (BHCs) with assets between $1 billion and $10 billion, according to the *MWA Fee Income Ratings Report*.

WESBANCO CREDITS FRACKING-RELATED PROSPERITY & EXPANDED SALES PROGRAMS FOR GROWING TRUST & SECURITIES BROKERAGE EARNINGS

Wheeling, WV-based, $6.1 billion-asset Wesbanco reported Marcellus and Utica shale gas drilling in its region of operation increased business activity and positively affected its earnings in 2013. Trust fees grew 8.5% to $19.58 million, up from $18.04 million in 2012, and ranked as the largest contributor to noninterest income. Securities brokerage fee income jumped 35.7% to $6.25 million, up from $4.60 million, bolstered by the introduction of a licensed retail banking program, increased referrals and the addition of an advisor team in the Pittsburgh market. Additionally, income from bank-owned life insurance (BOLI) climbed 32.7% to $4.66 million, up from $3.52 million. Trust, securities brokerage and BOLI income comprised, respectively, 28.3%, 9.0% and 6.7% of noninterest earnings, which increased 7% to $69.29 million, up from $64.78 million in 2012, despite a 72.2% drop ($1.78 million) in securities gains..

Net interest income on a 3.58% net interest margin grew 10.2% to $32.30 million to $185.49 million, reflecting a 2.9% rise ($6.20 million) in interest income and a 25% cut ($10.93 million) in interest expense. Net interest income, after a more than halving of loan loss provisions to $9.09 million, climbed 18.8% to $176.40 million, up from $148.48 million. Net income, after a 7.3% increase ($10.88 million) in noninterest expense tied to increased marketing, equipment, salary and benefit costs, jumped 29% to $63.93 million, up from $49.54 million in 2012.

Wesbanco President and CEO Paul Limbert said, "Improved economic conditions, customer development initiaitves and investments in staff, operations and technology were major contributors to the 2013 results."

In 2012, Wesbanco's insurance brokerage and fiduciary-related income comprised, respectively, 4.3% and 20.9% of its noninterest income and 1.2% and 5.6% of its net operating revenue. The company ranked 65th in insurance brokerage earnings and 27th in fiduciary-related income among all U.S. bank holding companies (BHCs) with assets between $1 billion and $10 billion, according to the *MWA Fee Income Ratings Report*.

TRUST EARNINGS BYPASS INSURANCE INCOME AT FIRST COMMONWEALTH

Indiana, PA-based, $6.2 billion-asset First Commonwealth Financial reported trust income surpassed insurance brokerage earnings in 2013, despite slipping 0.6% to $6.17 million, down from $6.21 million in 2012, as insurance brokerage income slid 4.1% to $6.01 million, down from $6.27 million. Along with five out of eight sources of noninterest earnings, income from bank-owned life insurance (BOLI) also declined, sliding 5.3% to $5.54 million, down from $5.85 million. Trust, insurance and BOLI income comprised, respectively, 10.3%, 10.0% and 9.2% of noninterest earnings, which decreased 8.1% to $60.16 million, down from $65.43 million in 2012, as mortgage banking income was sliced by more than half and the company lost almost $1 million in securities sales.

Net interest income on a 3.39% net interest margin declined 2.4% to $188.73 million, down from $193.32 million in 2012, as an $8.44 million cut in interest expense was not enough to cover a $12.72 million decrease in interest expense. Net interest income, after a $1.32 million decline in loan loss provisions to $19.23 million, slid 1.9% to $169.51 million, down from $172.78 million. Net income, after an $8.38 million cut in noninterest expense propelled by lower losses on the sale or write-down of assets and decreased operational losses, slipped 1.1% to $41.48 million, down from $41.95 million in 2012. First Commonwealth President and CEO T. Michael Price described his company as "enthusiastically migrating to a culture of operational efficiency."

In 2012, First Commonwealth's insurance brokerage income comprised 5.7% of its noninterest income and 1.3% of its net operating revenue. The company ranked 56th in insurance brokerage earnings among all U.S. bank holding companies (BHCs) with assets between $1 billion and $10 billion, according to the *Michael White Bank Insurance Fee Income Report*.

INVESTMENT MANAGEMENT EARNINGS GROW 14% AT INDEPENDENT BANK CORP.

Rockland, MA-based, $6.1 billion-asset Independent Bank Corp., parent of Rockland Trust Co., reported year 2013 results reflected the November 2013 acquisition of Middleboro, MA-based, $22.0 million-asset Mayflower Bancorp. Investment management fee income grew 13.9% to $16.83 million, up from $14.78 million in 2012, and income from bank-owned life insurance (BOLI) rose 3.69% to $3.33 million, up from $3.11 million. Investment management and BOLI income comprised, respectively, 24.7% and 4.9% of noninterest earnings, which increased 9.7% to $68.01 million, up from $62.02 million in 2012.

Net interest income on a 3.51% net interest margin rose 5.66% to $182.58 million, up from $172.80 million in 2012, reflecting a 4.96% rise in interest earnings and a 0.25% cut in interest expense. Net interest income, after a 43.51% drop ($7.86 million) drop in loan loss provisions to $10.20 million, grew 11.40% to $172.38 million, up from $154.74 million. Net interest income, after a 10% increase in noninterest expense primarily tied to the Mayflower acquisition, climbed 17.9% to $50.25 million, up from $42.63 million in 2012.

Looking ahead, Independent Bank Corp. and Rockland Trust Company President and CEO Christopher Oddleifson said, "We believe we are positioned for future growth and ready to take full advantage of the opportunities that lie ahead."

In 2012, Independent Bank Corp.'s wealth management income comprised 24.1% of its noninterest income and 6.2% of its net operating revenue. The company ranked 31st in wealth management earnings among BHCs with assets between $1 billion and $10 billion, according to the *Michael White - IPI Bank Wealth Management Report*.

BANCFIRST CORPORATION REPORTS GROWING TRUST & INSURANCE INCOME

Oklahoma City, OK-based, $6.04 billion-asset BancFirst Corporation reported insurance brokerage fee income in 2013 grew to $14.09 million, up 11.6% from 2012, and trust fees increased 10.2% to $8.07 million. Insurance and trust earnings comprised, respectively, 15.6% and 9.0% of noninterest income, which rose 2.8% to $90.16 million, driven by growth in insurance and trust earnings, which more than covered a $3.5 million drop in gains on securities sales.

Net interest income on a 3.04% net interest margin dipped 0.3% to $163.52 million. Net interest income, after a $1.84 million drop in loan loss provisions to $1.26 million, however, ticked up 0.3% to $162.26 million. Net income, after an almost $1 million increase in noninterest expense largely tied to salaries and benefits, rose 4.7% to $54.32 million, bolstered by growth in insurance and trust earnings.

In 2012, BancFirst Corporation's insurance brokerage and wealth management earnings comprised, respectively, 2.2% and 8.9% of its noninterest income, and 0.7% and 2.9% of its net operating revenue. The company ranked 75th and 49th, respectively, in insurance brokerage income and wealth management income among all BHCs with assets between $1 billion and $10 billion, according to the *Michael White Bank Insurance Fee Income Report* and the *Michael White - IPI Bank Wealth Management Report*.