

## FOR IMMEDIATE RELEASE

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Equias Alliance/ Michael White Publish 2013 BOLI Holdings Report.

FOR IMMEDIATE RELEASE – Memphis, TN, and Radnor PA, March 21, 2014 – Equias Alliance, LLC announced today the results of the 2013 Equias Alliance/ Michael White BOLI Holdings Report.

Each year, Equias Alliance, LLC and Michael White Associates jointly publish a study analyzing Bank-Owned Life Insurance (“BOLI”) holdings by U.S. financial institutions. BOLI has become an important component of the investment portfolio for over half the banks in the country typically representing 1%-3% of their assets. Banks use BOLI to help fund their employee benefit plans, increase earnings and shareholder value as well as recruit, retain and reward key officers and directors.

The study examined BOLI holdings from a number of different perspectives including type of institution, type of product used and size of institution. The findings are based on a review of FDIC data from 6,812 banks operating on December 31, 2013.

The report showed that BOLI assets reached \$143.84 billion as of the end of 2013, reflecting a 4.3% increase from \$137.95 billion at the end of 2012. The number of banks and savings associations owning BOLI has consistently risen over the past several years. As of December 31, 2013, 3,840 or 56.4% of the 6,812 U.S. banks held BOLI assets. However, if you exclude banks with less than \$100 million in assets from the equation, the percentage of banks owning BOLI jumps to 64.9%.

Variable separate account plans continue to represent the largest portion of BOLI assets at 49.0% as of the end of 2013 despite the fact that this plan type continues to be used by the fewest number of banks (597 banks). The reason for this seeming disparity is that variable separate account BOLI is used by many of the largest banks in the U.S. that invest a sizable amount of funds in this product.

The type of plan most widely held by banks last year was general account with 93.4%. The assets in this plan type are backed by the general assets of the insurance company. Hybrid separate account plans, which combine features of both a variable separate account and general account, were the fastest growing plan type in 2013 with a 10.3% increase from 1,077 banks in 2012 to 1,188 banks in 2013.

When asked which plan type he expected to be the most attractive to banks purchasing BOLI in 2014, David Shoemaker, CPA/PFS, CFP®, President of Equias Alliance, responded he thought that “new purchases would be most likely divided between hybrid separate account and general account products due, in part, to the impact of BASEL III on the risk-weighting of BOLI assets.”

To view a summary of all the key findings of The BOLI Holdings Report, please visit the Equias Alliance website at [www.EquiasAlliance.com](http://www.EquiasAlliance.com).

#### About Equias Alliance/Michael White Associates

Equias Alliance, LLC (“Equias”), through its group of nationwide consultants, has assisted over 800 community banks in the design and implementation of bank-owned life insurance (“BOLI”) as well as nonqualified benefit plans for selected executives. Equias has the experienced and professional staff (including attorneys and CPAs) needed to properly administer and oversee these plans. As evidence of its leadership position in the market, Equias has the exclusive endorsement of the ABA (through its subsidiary, the Corporation for American Banking) and 10 state banking associations for BOLI. Equias is headquartered in Memphis, Tennessee with 18 consultants located in 14 offices throughout the U.S. and can be contacted at [www.EquiasAlliance.com](http://www.EquiasAlliance.com).

Michael White Associates (“MWA”) is a bank insurance consulting firm headquartered in Radnor, PA, and can be contacted at [www.BankInsurance.com](http://www.BankInsurance.com). The Equias Alliance/Michael White BOLI Holdings Report™ is one of several MWA reports dealing with bank fee income activities as well as BOLI. Another, the MWA BOLI Capital Concentration Report™, meets the regulatory requirement that each banking company must conduct a peer analysis of its BOLI holdings relative to capital and statistically assess whether its BOLI program is an outlier. Additionally, 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 by asset-peer group.

Securities offered through ProEquities, Inc., a Registered Broker/Dealer and member FINRA & SIPC. Equias Alliance, LLC is independent of ProEquities, Inc. Michael White is not a Registered Representative of ProEquities, Inc. nor a Representative of Equias Alliance, LLC.