sample 1f

History of ICBA Reinsurance

1996
ICBA's Bank Services Committee researches opportunities for community banks to have access to additional profits and gain more control over their credit life business.

1997
After one and a half years of research and a comprehensive FRP process, a task force of the Bank Services Committee recommends setting up a reinsurance company. Reinsurance gives banks access to more back-end profits and greater control over their business.

1998
ICBA selects U.S. Life, which later becomes American International Group/American General Assurance Co. as its service provider. AIG American General is chosen because of its experience working with community banks and its A+ rating.

1999
In January, ICBA Reinsurance Co. Ltd. begins operation. ICBA Reinsurance is a Turks and Caicos domiciled company.

2003
Reinsurance declares its first dividend. The company also adds two new products: closed-end monthly outstanding balance (CEMOB) insurance and debt protection and debt cancellation insurance.

2005
More than 225 community banks from 24 states are shareholders in ICBA Reinsurance. These banks represent over $6.5 million in estimated annual premium. The company pays its third consecutive dividend in 2005.

2006
ICBA Reinsurance pays its fourth consecutive dividend, the largest dividend in the company's history. ICBA Reinsurance returns over $500,000 to ICBA qualifying banks.

2007
ICBA Reinsurance adds Guarantee Trust Life Insurance as a provider in Pennsylvania, Indiana and Illinois. The company declares its fifth dividend and the largest dividend in its history. ICBA Reinsurance returns over $500,000 to ICBA qualifying banks. AIG sells business to AEGON Financial Services Group.

2009
ICBA Reinsurance and AEGON agree to work together to provide community banks with credit life and disability products. Accounts from AIG are converted to AEGON. ■

ON THE WEB: www.icbainsurance.com
CALL US: (888) 790-6625

FREQUENTLY ASKED QUESTIONS ABOUT ICBA REINSURANCE

Q. What is my bank's liability if the company goes out of business?

A. The stock the bank holds is non-assessable. That means the bank has **no liability** beyond its stock purchase fee.

Q. When is the soonest I can expect to receive a dividend?

A. Banks become eligible for dividends after they have produced two full years of underwriting experience.

Q. Why do I need to buy stock in ICBA Reinsurance?

A. ICBA Reinsurance requires participating banks to purchase shares of stock in the company for two reasons. First, as a shareholder the bank has a vested interest in placing good business with the company and monitoring the bank's performance. This benefits all participating banks. Second, by being a shareholder in the company, ICBA Reinsurance can return underwriting profits to the bank more efficiently and profitably in the form of dividends. In most instances, dividends have tax advantages over retros.

Q. What happens if I leave ICBA Reinsurance?

A. The bank remains eligible to receive dividends until all of its business has expired (maximum of three years in the LLC).

Q. Why should I join ICBA Reinsurance?

A. There is no downside to joining ICBA Reinsurance, but **many** possible benefits. With ICBA Reinsurance your commissions will remain the same and you can receive additional income in the form of dividends based on your bank's underwriting experience. You have the oversight of a highly rated national insurance company. You have all the benefits of your own reinsurance company without the capital expense or administration requirements of forming a captive.