

A History of BCG – Still #1



Established in 1982, Bankers Cooperative Group, Inc. (BCG) is the self-contained brokerage facility for Members and Associate Members of NJBankers. BCG is the leading provider of employee benefit programs for New Jersey's banking industry. As administrator of the New Jersey Bankers Association sponsored Employee Benefits Trust (EBT), BCG is able to leverage almost 8,000 industry employees and their dependents to negotiate group employee benefit programs and

pricing not generally attainable on an individual employer basis. To satisfy the varied needs of the NJBankers membership, the EBT offers multiple choices for dental, life insurance, long term disability, and vision product lines.

BCG has a rich history recognizing the need to support members' all-line insurance needs.

Prior to June, 1996, there were two trade associations serving thrifts and savings banks in New Jersey. NJSL Services, Inc. was the Insurance Brokerage Subsidiary of the New Jersey Savings League. SBANJ Insurance Agency Corporation was the Insurance Brokerage Subsidiary of the New Jersey Community & Savings Bankers. In addition, Associated Benefits Agency LLC was a newly acquired Insurance Brokerage Subsidiary.

The New Jersey Savings League and the New Jersey Community & Savings Bankers merged in June 1996 to form one trade association serving both thrifts and savings banks in the Garden State. When Edward Lawlor, president of the League retired, Samuel Damiano, former president of the New Jersey Community & Savings Bankers, was named president of the merged trade associations. This resulted in this structure:

- New Jersey Savings League (surviving entity)
- NJSL Services (subsidiary)
- SBANJ Insurance Agency Corporation (subsidiary)
- Association Benefits Agency LLC (subsidiary).

In November, 1996, the merged association changed its name to the New Jersey League of Community & Savings Bankers.

In June of 1997, NJSL Services Inc. and all of the assets and employees of Association Benefits Agency LLC were consolidated into SBANJ Insurance Agency Corporation. Association Benefits Agency LLC was deactivated and continues to exist as a dormant subsidiary. SBANJ Insurance Agency Corporation became the only insurance agency subsidiary of the League and handled all of the new and renewal insurance business of the three former agencies.

SBANJ Insurance Agency Corporation reorganized into a cooperative corporation and changed its name to Bankers Cooperative Group, Inc. This changed the status of the entity from a wholly-owned League subsidiary to an affiliated cooperative in August 1997.

With the final banking trade association combination with the legacy New Jersey Bankers Association in 2009, its' commercial banking employee benefit clients became BCG's clients. What about BCG today?

Led by Richard Siderko, BCG President and CEO, BCG generates 90% of its revenue from brokering and administering group employee benefit programs. BCG is a natural extension of their clients' HR departments. BCG's staff is experienced. Each senior staff member averages over 30 years of experience in the employee benefit/insurance arena. BCG combines its' knowledge of the New Jersey Banking industry with subject matter expertise to meet each client's individual needs. BCG conducts an annual industry wide employee benefits survey. It is the largest one of its kind with 50 respondents in 2018. BCG also has a strong footprint in providing Directors & Officers, fidelity bond, Employment Practices Liability and other specialty lines platforms to NJBankers members.

BCG answers only to you – our clients!! Our clients are our shareholders. BCG's board members are also shareholders and senior members of the New Jersey banking industry.

Our shareholders are eligible to receive patronage dividends. For the fiscal year ending June 30, 2018, BCG's Board of Directors declared a \$300,000 patronage dividend. In addition to being a 20% increase over the previous year, it became not only the highest declaration in BCG's history but the third consecutive year a new high was declared. BCG has now paid a total of \$3,149,500 in patronage dividend; all for investments of \$10 each from our shareholders.

BCG provides significant support to NJBankers through several Reimbursement, Marketing and Royalty agreements. For the fourth consecutive year, BCG's Board of Directors had approved an additional \$30,000 sponsorship toward the NJBankers 2018 Annual Conference in Marco Island, Florida. BCG's total contribution to NJBankers this year will exceed \$243,000. This goes a long way towards keeping Member dues in check.

BCG also made a significant contribution to the New Jersey Bankers Association Charitable Foundation. The 2018 contribution of \$100,000 to continue the Foundation's support of veterans and other laudable causes was in addition to a \$50,000 contribution made two years earlier.

For the last 37 years, BCG has been the statewide leader in employee benefit consulting and administration for NJBankers Members. BCG is able to leverage the strength of NJBankers and offer financial institutions and associate members medical, dental, vision, life and long term disability group insurance programs that feature plan designs and pricing not generally enjoyed on a standalone basis. This, combined with expert administrative capabilities are the reasons why many client relationships exceed 20 and 30 years.

Just some statistics about BCG and participating NJBankers members:

Medical Programs – 39 Members

Dental Insurance – 63 Members

Employees Assistance – 41members

Vision Programs – 58 Members

Group Life Insurance – 37 Members

Long-Term Disability – 36Members

D&O Insurance – 12 Members

Fidelity Bond – 14 Members

Employment Practices – 13 Members

Mortgage Impairment – 14 Members