Labor Advisory Board

Sean McGarvey
President
BCTD of the AFL-CIO

Pat D. Finley
General President
Operative Plasterers
and Cement Masons’ International Union

Jack M. Marco
Founder and Chairman
Marco Consulting Group

Fred Myers
Executive Director
Union Sportsmen’s Alliance

Cecil E. Roberts
President
United Mine Workers of America

Kinsey Robinson
General President
United Union of Roofers, Waterproofers
and Allied Workers

Edward M. Smith
President and Chief Executive Officer
Union Labor Life Insurance Co.

Mark H. Ayers
President
BCTD of the AFL-CIO

In Memoriam

William T. Creeden
Executive Vice President
Executive Vice Chairman

Robert K. McCall
President
BORN OF INTEGRITY...

Bank of Labor is the modern evolution of nearly a century of labor banking experience. From its roots as a labor community bank to its potential as a modern international financial institution serving North America’s labor movement, Bank of Labor is unique in its expanded mission to serve the financial needs and shared values of all of organized labor.

From its remarkable endurance of the catastrophic meltdown of America’s economy during the Great Depression—a tragedy that claimed the viability of so many financial institutions of that time—to the devastating shockwave of the recent Great Recession, itself claiming so many financial institutions in our time—the Bank of Labor stands as a testament to the endurance of the North American labor movement itself.

Founded in 1924 by the International Brotherhood of Boilermakers, Brotherhood State Bank grew its roots deep into the labor community of greater Kansas City. Its original mission was to be a bank that working men and women could trust with their hard-earned money. And we have steadfastly fulfilled that mission.

Now, having emerged as a survivor among the more than 50 labor banks from this era, Brotherhood Bank & Trust rises to the challenge of our time to become the Bank of Labor for the greater labor movement.
Bank of Labor shares the values and the causes of the AFL-CIO, its affiliate unions and their members—and our employees are represented by one of its most revered and storied unions: the United Mine Workers of America. We are proud of our partnership with the UMWA, and we appreciate their fair representation of the men and women of Bank of Labor.

The International Brotherhood of Boilermakers has owned Bank of Labor, along with several investing affiliate lodges and other Kansas City community investors, since its inception as Brotherhood State Bank in 1924. Together with our lodges, the International Brotherhood of Boilermakers owns over 60 percent of the shares in Brotherhood Bancshares, Inc., the bank’s holding company.

Bank of Labor’s expanded mission is to serve the needs of the North American labor movement such that we respect and support not only the financial needs of its affiliate institutions and their rank and file members, but also its core social values and causes. How many other financial institutions of this era can even understand our labor causes ... much less stand in support of them?

Truly, Bank of Labor is unique among today’s financial institutions in its commitment to labor’s values and in its potential to become the bank of choice for America’s labor movement. In an era when the “big banks” privatize profits and socialize losses, such as with the recent “big bank” government bailouts, Bank of Labor rises like a lifeboat in a sea of deception and unabashed greed.

A TRUE LABOR BANK...
As we learned only too well with the advent of the Great Recession, America’s big banks were only too willing to play their customers for fools, packaging and selling products that were doomed to fail—all to skim more and more money from the pockets of the American consumer.

And with this practice, they bet against their own game in a play to make billions more—and nearly brought down the financial system of the United States. In the process, they rocked the world financial system and our global economy. Yet, many in the labor movement continue to bank with these same financial institutions even as they criticize them for their institutional greed, recklessness and arrogance.

With the crash of the stock markets in late 2008 and the disastrous downturn in home and land values, all that the average citizen and the average union member had worked for all their lives had suddenly become at risk—especially our hard-earned pension plans. Pension plans whose funds, unfortunately, still remain in the custody of these irresponsible mega-banks.

Not only did these “Too Big to Fail” banks nearly bring down the financial system of the United States, the resulting Great Recession threw our economy into a disastrous spiral, resulting in millions of unemployed citizens … among them hundreds of thousands of building trades members.
With more than $3 trillion in Taft-Hartley and public sector pension funds in the United States, every dollar of profit these funds generate for the mega-banks is money that is not only lost from the labor movement ... it is money used against the labor movement, our values and our causes.

Whether hosting anti-union conference calls or contributing to anti-union politicians on the national, state and local levels, these mega-banks use profits derived from union investments to undermine our very existence. Yet most in the labor movement blindly continue to bank with them even as these banks support those who would destroy us.

And with hundreds of millions, if not billions more, in general fund investment and deposit dollars, the greater labor movement disperses its critical capital to adversarial financial institutions, as it always has. But it does not have to. We can change. We have a choice.

It is time we looked at the value of our collective capital and targeted its worth to the survival of organized labor. We can do this. We have an option. It is Bank of Labor. Together, we can build a bank that rivals any bank in North America and possibly the world ... but one that shares the interests, the values and the vision of our labor movement.
With the Bank of Labor, North America’s labor movement now has the option of using a financial institution, union owned and union represented, that can work hand-in-hand with labor to manage a consolidation of its hard-earned capital into programs that support organized labor and our values, rather than undermining our causes and our movement, as we do now.

Whether it is an institutional infrastructure loan for a local lodge, or a lodge’s training center, or a contribution from Bank of Labor profits to support the issues and causes that we fight for every day, Bank of Labor can be the financial support vehicle to accomplish so much for our unions, our members and their families.

And by withdrawing labor’s funds from the mega-banks, we diminish or even eliminate their ability to turn the profits generated by the labor movement’s capital into a weapon against organized labor, our members and their families.

Bank of Labor is committed to working with the greater labor movement to support our political, legislative and social agendas by allocating a percentage of Bank of Labor profits to our collective cause, within the constraints and dictates of our federal, state and local laws.
We did not build our unions overnight. And we will not build Bank of Labor to its full potential overnight. But we found the reason and the will to forge our locals into international unions for the common good. From this same spirit came our American Federation of Labor and Congress of Industrial Organizations. From this spirit, we can build Bank of Labor.

Our own AFL-CIO convention history shows that we long debated this issue. Should labor have its own bank, or should it not? Resolutions were put forward, but in that time it was decided by convention action not to support the labor movement’s own financial institution. Where might we be now if we had consolidated our capital then? Is labor’s capital better off dispersed or concentrated for our causes?

Times are different, now, yes. But our enemies still try to destroy or weaken us. Where else can we find the financial strength to endure the battles of our time and those that we will surely face in our tenuous future? Our consolidated capital—our joint financial holdings—represent the potential collective strength of the North American labor movement. Now what do we do with it?

If we can have the courage to believe in a future of our own making, at least one where we have a fighting chance, then we must give thought, reason and honest consideration to how we can build a stronger position for the labor movement by consolidating our capital to ensure that our values, our issues and our causes overcome the incessant waves of adversarial attacks. We must have the courage to believe.
Bank of Labor cannot grow to its potential overnight. It cannot serve the needs of every union member overnight. We recognize that our strategy for truly becoming the bank of choice for the labor movement must be to start with its institutions. Local lodges. International unions. Trust funds. Related organizations.

There is potentially explosive growth through a banking relationship with labor institutions that would allow us to grow capital strength that, one day, would give us the ability to service the entire labor movement as well as individual members and their families.

Presently, union members affiliated with the AFL-CIO are well served through its innovative and valuable Union Privilege Program. Bank of Labor respects this program and will be referring union member customers to the Union Privilege Program for their consumer borrowing needs. For now, Bank of Labor will focus on the borrowing needs of labor institutions.

As the labor movement helps us to grow Bank of Labor, our services will expand in conjunction with the needs and expectations of the AFL-CIO and its affiliate international unions. We believe a symbiotic relationship can evolve to serve the best interests of the AFL-CIO, its affiliates, their members and the likeminded shareholders of the Bank of Labor.
In addition to our day-to-day board of directors, Bank of Labor will seek the council of our Labor Advisory Board. This board will be made up of independent directors dedicated to the causes and issues of the labor movement. Their role will be to help guide the policies and strategies of Bank of Labor such that they remain beneficial and supportive of the labor movement as we jointly build Bank of Labor.

Already, leaders from within our labor ranks have risen to this challenge with enthusiasm and an excitement that gives great heart to the launch of this initiative. These leaders will represent the specific and special interests of the labor movement as they help advise Bank of Labor on its policies for operations, for growth, for investments, for donations and for its voice in our nation’s direction going forward.

While Bank of Labor is already led by leaders in the labor movement, we understand that we need objective input and advice from those in our labor movement that have a different perspective or a different viewpoint on how Bank of Labor might best serve the labor movement’s interests. We are excited about this input and pledge to support the advice we get from this independent and voluntary advisory board.

Have you given thought to this yet? What other financial institution that you currently bank with has a Labor Advisory Board? A board dedicated to steering the decisions of your financial institution to make the best decisions it can for both its shareholders and the customers it serves. Bank of Labor is proud to find this balance.
The officers and employees of Bank of Labor are ready and willing to do whatever it takes to meet the needs of our union customers and to provide the quality of service you might expect of your own union.

Our financial institution holds assets of over $500 million. Our Trust & Investment division holds custody of nearly $6 billion. We have the strength. We have the experience. We have a rock-solid history. Now, we offer our services to the entire labor movement.

If you have a local lodge or a training center to build, we can help. If you have a loan with another financial institution that you would like to move to Bank of Labor, we can help. If you believe in the expanded mission of Bank of Labor, our Trust & Investment division can serve as the custodian of your trust and investment funds.

Whatever it takes, Bank of Labor will work to meet your needs and your expectations. We invite you to become a customer and a partner in the mission of Bank of Labor.
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