

EXECUTIVE INSIGHTS

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“Our employees rebuilt our **mission, vision and values**”

Partners Raymond James and Androscooggin Bank are aligned in their aspirations to be a different kind of financial institution

Great financial outcomes, even greater human outcomes

For Androscooggin Bank, becoming a Certified B Corporation (B Corp) was never the end goal. Rather, it was the natural outcome of striving to be an intentionally mission-driven and values-focused organization.

As Androscooggin Bank approached its 150th anniversary, President and CEO Neil Kiely and his fellow board members recognized that the world was changing and the industry along with it, and that keeping pace would require a refreshed alignment to make their business sustainable for another 150 years.

To shape themselves into the organization that could meet their vision of the future, the leadership team broadened its focus from great financial outcomes to include great human outcomes as well. In a bid to meaningfully benchmark their efforts against other organizations, Androscooggin Bank turned to B Labs, the organization that awards B Corp certifications.



THE B CORP CERTIFICATION

A business that achieves B Corp Certification has demonstrated its ability to meet and continue meeting high standards of verified performance, accountability and transparency. To achieve certification, a company must show excellence in three key areas:

Social and environmental performance



Companies must receive a B Impact Assessment score of 80 or above and pass a risk review.

Legal commitment



Companies must adjust their corporate governance structure to be accountable to all stakeholders and attain benefit corporation status, if available.

Transparency



Companies must allow their performance on qualification standards to be available on their public B Corp website profile.

B CORP BUY-IN FROM ACROSS THE BANK

After reflecting on the future of Androscoggin Bank, the team got to work. “We rebuilt our mission, vision and values with our employees,” said Neil. “And in a short period of time we saw our efforts were leading to real, positive business outcomes. Employees were more engaged, they were recruiting in new hires to the bank and both our client satisfaction and net promoter scores were going up.”

Adding the pursuit of B Corp status to the bank’s revolution has only helped solidify those positive business outcomes. After a

review process that Neil said was just as rigorous as any other bank audit, Androscoggin successfully qualified to become a Certified B Corp – on the first try. In doing so, Androscoggin became the first Certified B Corp Bank in Maine. “Just like a LEED certification or Organic certification can help people understand the care taken in creating buildings and foods,” Neil noted, “B Corp Certifications can help people understand the kinds of businesses they are engaging with.”

THE PROCESS AND ITS IMPACTS

Androscoggin Bank will need to recertify every three years, creating a need to be strategic and innovative in the ways its leaders continue to think about their social and environmental impact, their commitment to their stakeholders and the transparency they provide to the broader public.

The bank is also striving to lead with culture, currently engaging more than 40% of its employees across multiple teams that will identify areas of improvement and empower employees to shape the direction of the company.

“The process of becoming a B Corp clarified for all of us the importance of meaningful work and the incredible fulfillment that can come with it,” Neil said. “But it’s more than that. We are creating a resilient model for our bank’s success and better positioning ourselves to handle any hard times ahead.”

“Be prepared to take a long-term approach and do the work – because to live this model authentically, you have to be incredibly intentional, as it impacts every part of your business. When done well, it has the potential to yield operational excellence and clarity.”

– NEIL KIELY, PRESIDENT AND CEO, ANDROSCOGGIN BANK

A LONG-TERM PLEDGE

While Androscoggin Bank is still early in its B Corp journey, being the first bank in Maine and the ninth bank in the country to achieve the certification has been a positive step in building an organization-wide framework of accountability. The certification also demonstrates to similar organizations that a bank can be driven by its purpose, values, quality – and most

importantly, its people. And this involves people within and outside of the organization.

“Our objective now is to create alignment around success, which includes establishing common language and definitions, meaningful metrics, building a resilient model for success, and striving to pioneer how to run a human-centered business that’s well-marketed and can withstand the tough times,” said Neil. “This approach is not unlike how a lot of smaller, family-owned businesses operate – the difference we see is that it affords us the ability to scale our business and our culture at larger levels.”

“However,” Neil added, “culture has to be a grassroots movement, it can’t be prescribed from the top. We trust our people. We value their guidance in helping our business have a significant impact in our community. When employees help shape the human outcomes, the organization can maneuver into a far stronger position to achieve the financial outcomes.”

Alongside empowering employees to shape the direction of the organization, Androscoggin Bank has rebuilt its approach toward philanthropy and service to positively impact its communities more widely. Helping to invest in the transition to renewable energy, committing to assist “new Mainers” or immigrants to Maine and prioritizing environmental sustainability are just a few of the initiatives currently in the mix. Collaboration, multiyear funding and comprehensive planning to attract talent and experience remain key aims for the future. This too is further bolstered by the support of seven partner organizations.

“Diversity, equity, and inclusion will also be a particular focus for us in the coming years, as we take an innovative approach to philanthropy and service,” Neil said. “Our priority revolves around impact. In fact, innovative philanthropy has already begun to inspire others. We’ve been approached by other funders asking about our approach.”

CONNECTING, PARTNERING, BUILDING

It’s no secret that Androscoggin Bank leads with culture – and much of that begins by aligning with organizations that share similar values. Just as leadership worked with B Labs to build

a more intentional, sustainable vision for growth, another partnership has played a key role in the bank's success.

"When we were in the process of searching for an investment program partner, I flew down to the Raymond James headquarters in Florida to see what the firm had to offer," said Neil. "Team after team talked about the firm's capabilities, but during each of the discussions I had, there was an incredible

clarity around culture and that Raymond James was a people-first and values-based organization. I was really struck by the way everyone was speaking the same language, making it extremely clear that Raymond James – with its mission-focused and values-driven approach – would be a strong and valuable partner."

Androscoggin Bank [is affiliated with Raymond James \(FID\)](#)





An interview with Steve Kruchten



STEVE KRUCHTEN
*Senior Vice President, National
Relationship Management
RJFS – FID*

We recently sat down with Steve Kruchten, FID’s senior vice president of national relationship management, to talk about his experiences and goals for the division, as well as his perspective on the distinct culture and resources offered at Raymond James.

Q. What path led you to joining FID divisional management at Raymond James?

I’ve been in the financial services profession for over 30 years. Before visiting the Raymond James home office in the summer of 2020, I ran a bank program for Bremer Bank, which is based in St. Paul, Minnesota. However, the story goes back to over a decade further. I’ve been affiliated with Raymond James since 2009, the same year we partnered with FID and when I learned the true meaning – and value – of industry-leading technology, research and guidance from a firm that’s fully committed to supporting their investment program. As a member of FID divisional management at Raymond James, I have the opportunity to positively impact over 150 banks and credit unions versus just one in my previous role. That, and it’s hard to say no to living in St. Petersburg!

Q. As senior vice president of national relationship management, what's a typical day in your shoes like?

At its core, my role is to help create and define a more unified client experience that fully leverages the suite of Raymond James products and services available to our institutions. On top of that, my day-to-day is also spent helping institutions find more effective ways to engage their clients to set themselves apart from competitors. We're made up of three divisions that cover the entire country, and I'm lucky to be supported by one of the most dedicated groups of professionals, who are just as focused as I am on establishing and maintaining FID as the strongest in the institutions space. When financial advisors are empowered to execute their visions, they're far more likely to become brand ambassadors for the wider firm on Main Street. So far, it's been rewarding to lead the industry in helping our banks capture a greater financial share while also delivering a more unified client and brand experience.

Q. How does our FID offering compare to competitors'?

Our approach involves comprehensively understanding the key initiatives of our institutions as well as each of our investment programs. Once we're equipped with this information, we then consult to help maximize both top-line and bottom-line contributions while also helping enhance their value propositions within their respective markets. I've seen other models and approaches in the industry that primarily focus on revenue sharing. Our attention to service and consultation is what allows us to stand out.

Q. What is the "three-pronged" approach FID takes to deliver a strong service?

The three "prongs" are the advisor, the program manager and the institution. We're a little different from other areas of the firm, simply because our products and services are all geared towards the advisor – plus we have a financial institution involved. Both program managers and advisors are focused on providing best-in-class planning, products and technology while growing their businesses. Raymond James continues to enhance our entire offering. As a direct result, my team is fully equipped to act as consultants. The byproduct of executing this approach is a combination of what represents the institution's brand and what satisfies the C-suite of their organization.

Q. Why do you encourage advisors to discuss longevity with their clients?

Our industry is becoming increasingly commoditized. Longevity is both a lucrative value proposition and a differentiator rolled into one. Few advisors in our profession truly possess knowledge and experience to support aging clients and their families. Being in a position to provide longevity-focused services and advice to clients sets us apart from competitors. The reason I'm so interested in encouraging advisors to discuss longevity is because it's something that hasn't been prioritized in the financial planning process. It's a compelling way for advisors to deepen client relationships by addressing meaningful conversation topics such as aging in place, Medicare, consolidating assets and liabilities, and so much more. Longevity planning has also shown that it's the perfect catalyst to engage families – especially children – which then helps to build new relationships with the advisor.

Q. What lies ahead?

Up until this point, I've really appreciated the inclusive and collaborative culture at Raymond James. Our financial advisors are our biggest ambassadors. Empowering them and equipping them with the tools to engage and support their clients allows us to deliver a competitive service. Ultimately, being consultants is key to our long-term success and to building long-lasting relationships. The level of professionalism, with a specific emphasis on execution, is what makes our firm one of the best. Partnering and consulting sits within the very fabric of Raymond James. Looking ahead to the future, it's my hope that the firm continues to remain focused on working directly with people to execute and meet future challenges head-on. I get most excited knowing that our banks and credit unions serve only a small percentage of the customer base – so there's a well of untapped opportunities. I strongly believe that one of the most valuable resources we possess is client data. As technologies like artificial intelligence evolve, how we decide to integrate those capabilities will empower synergies and the growth of our shared relationship.



Congratulations for
**recipients of the 2022 Kehrer Beilan Top Directors in
 Credit Unions and Financial Institutions Awards**



Small Firms

Farmers National Bank: Jeff Joiner
Bristol County Bank: Lou Ricciardi
Amarillo National Bank: John Clemens



Mid-Size Firms

TowneBank: Ken Wren
Corning Credit Union: Nick LaPuma
Wilson Bank & Trust: Damon Bates
Woodforest Bank: Fred Greene



Large Firms

Pinnacle Financial Partners:
 Gary Collier
Addison Avenue: Scott Jenner



Mega Firms

Fulton Financial: Mike George



Credit Union

Corning Credit Union: Nick LaPuma
Addison Avenue: Scott Jenner

The 2022 Kehrer Beilan Top Directors in Credit Unions Award was released on 10/4/2022 and is based on data from 2021. Kehrer Beilan considered 177 nominees in the credit union affiliated category, and from those selected 5 winners who best exemplified distinguished efforts in driving growth to the financial institutions they support. The metrics used to determine the winners include the extent to which the practice is growing the business while producing sufficient revenue relative to its opportunity. The metrics also include whether the practice is achieving the objectives of producing more advisory and insurance business, reducing the number of clients served by each advisor and the size of branch territories and increasing revenue per client and the ROA (Return on Assets). Other criteria includes: Revenue penetration of deposits - revenue per million of FDIC core deposits or NCUA share deposits, Year-over-year growth in revenue - 2021 revenue divided by 2020 revenue, Advisor revenue productivity - gross revenue per advisor, Advisor asset productivity - assets per advisor, Advisory revenue per advisor, Life insurance revenue per advisor, Clients per advisor, Revenue per client, Investment assets per client, Asset productivity- revenue on assets and Advisor coverage - deposits per advisor. The ranking may not be representative of any one client's experience, is not an endorsement, and is not indicative of advisor's future performance. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for this award/rating. Kehrer Beilan Research & Consulting is not affiliated with Raymond James.

The 2022 Kehrer Beilan Top Directors in Financial Institutions Award was released on 12/7/2022 and is based on data from 2021. Kehrer Beilan considered 380 nominees in 4 financial institution affiliated categories, and from those selected 5 winners in each category based on practice size who best exemplified distinguished efforts in driving growth to the financial institutions they support. The metrics used to determine the winners include the extent to which the practice is growing the business while producing sufficient revenue relative to its opportunity. The metrics also include whether the practice is achieving the objectives of producing more advisory and insurance business, reducing the number of clients served by each advisor and the size of branch territories and increasing revenue per client and the ROA (Return on Assets). Other criteria includes: Revenue penetration of deposits - revenue per million of FDIC core deposits or NCUA share deposits, Year-over-year growth in revenue - 2021 revenue divided by 2020 revenue, Advisor revenue productivity - gross revenue per advisor, Advisor asset productivity - assets per advisor, Advisory revenue per advisor, Life insurance revenue per advisor, Clients per advisor, Revenue per client, Investment assets per client, Asset productivity- revenue on assets and Advisor coverage - deposits per advisor. The ranking may not be representative of any one client's experience, is not an endorsement, and is not indicative of advisor's future performance. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for this award/rating. Kehrer Beilan Research & Consulting is not affiliated with Raymond James.



Tech Corner

2023 major technology initiatives

Raymond James is committed to providing technology that is easy to use, flexible and built for the future. Categorized by function, major technology initiatives coming in 2023 are outlined below.

WEALTH MANAGEMENT

- **Portfolio Management:** Increased efficiency when moving large groups of accounts between models, enhancements to the Current Account Analysis feature, a “what-if” account feature and more.
- **Proposal:** New functionality that allows AMS-managed and advisor-directed products to be included in the same proposal output, plus additional reports including a Family Tree report that outlines the structure of a client’s family.
- **Rebalance:** Enhancements that make it possible to generate a large set of orders based on various scenarios and objectives more efficiently.
- **Trading:** Simplification of processes as well as enhancements that provide functional parity with legacy trading systems.

CLIENT EXPERIENCE

- **eDelivery:** Automated enhancements in the electronic delivery of relevant Form ADVs at fee-based account opening and upon subsequent triggering events.
- **Enhanced Savings:** New functionality connects clients’ cash savings to their investment portfolios to provide a strategic savings solution.
- **Client Access:** A new mobile application offers heightened security, a new customizable dashboard and easy access to key financial information.

CLIENT MANAGEMENT

- **Advanced Search:** Enhancements to the interface, navigation and usability, including the ability to search for closed tax lots and associated data points.
- **Advisor Mobile:** Advisor Texting updates that support emojis, plus a pilot launch of trading integration for a single equity order with buy/sell functionality.

- **RJ CRM:** Introduction of Custom Contact Profile forms, the ability to create custom subject lines for CRM notes, Custom Tagging with keywords and more quality-of-life improvements.

PRACTICE MANAGEMENT

- **Practice Center:** New Client and Home tabs in the Branch Entity Dashboard that show branch owners and managers a rollup of data that is currently only available at the advisor level within Practice Center; improvements to the Prudent Process Dashboard and the Notifications tab provide clarity and more efficient review.

PRACTICE AUTOMATION

- **Security Movement Application:** A multiyear initiative that will enable users to move securities between Raymond James accounts.
- **Bank Money Movement:** A multiphase project that will automate money movement processes for bank-related transactions to improve operational efficiencies.
- **Online Scheduling Tool Pilot:** A new tool designed to make it easy for clients to book appointments with you at their convenience, reducing the time your office spends facilitating meeting requests via phone calls and emails.

This year, we’re excited to be continuously delivering new and improved tools to help you further connect with clients and grow your practice. Enhance the advisor-client relationship with tech that connects.

HOW TO STAY INFORMED

Check the Technology section of the **Weekly Digest** email regularly.

Visit the **Technology Updates** pages to discover what’s new, access guides and check service updates.

HAVE QUESTIONS?

Contact us at technologyfeedback@raymondjames.com

Elevate 2023



Jodi Perry and Tim Killgoar

ELEVATE 2023 BROUGHT ADVISORS TO NEW HEIGHTS

Elevate 2023 was held April 23 to 26 in person in Orlando, Florida.

Advisors who attended Elevate spent the conference connecting with each other and learning about the vast resources that Raymond James has to offer. The conference provided compelling tools and guidance to take advisors' achievements to the next level. Packed with thought-provoking insights, Elevate boosted businesses and professional development to the next level.

Featuring all of the exciting experiences Elevate attendees have come to expect, Elevate 2023 included a Town Hall with Paul Reilly, Scott Curtis, Jodi Perry and Tim Killgoar; the latest updates on our technology platform; an invigorating talk from our keynote speakers, James Clear and Emmitt Smith; and opportunities to network with top advisors and firm leaders.



Tim Killgoar



From left to right: Nicole Middendorf, Scott Curtis, Jodi Perry, Tim Killgoar, Paul Reilly

Raymond James Financial Institutions Division

The partner for bank and credit union investment programs

FID offers the spectrum of sophisticated services – including integrated technology, wide-ranging resources and a specialized financial institution support team – every partner needs to build or expand their investment programs, deepen relationships and generate new opportunities.

FINANCIAL INSTITUTIONS DIVISION¹

Service centered on community

\$80 billion+

in client assets¹



850

financial advisors

150

financial institutions



Boutique-level service and robust resources

- Production per advisor: **\$745,600¹**
- Average client assets under management: **\$118.1 million¹**
- Ratio of advisory business: **62%¹**
- Ratio of recurring revenue: **83%¹**

¹As of March, 20, 2023

RAYMOND JAMES²

Resources at an impressive scale

\$1.22 trillion+

in client assets¹

1.4:1

advisor-to-associate ratio

2x

the required capitalization

1%

regrettable advisor attrition



8,700+

financial advisors

\$700 million

spent on technology each year, on average

²As of March 31, 2023