

REFINITIV

DELTA REPORT

10-Q

RJF - RAYMOND JAMES FINANCIAL I

10-Q - DECEMBER 31, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 2010

■ CHANGES	441
■ DELETIONS	863
■ ADDITIONS	706

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark one)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2023 December 31, 2023

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from

to

Commission File Number: 1-9109

RAYMOND JAMES FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Florida

59-1517485

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

880 Carillon Parkway, St. Petersburg, Florida 33716

(Address of principal executive offices) (Zip Code)

(727) 567-1000

(Registrant's telephone number, including area code)

None

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 par value	RJF	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 6.375% Fixed-to-Floating Rate Series B Non-Cumulative Perpetual Preferred Stock	RJF PrB	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

208,841,543 209,027,614 shares of common stock as of August 2, 2023 February 5, 2024

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(Unaudited)

\$ in millions, except per share amounts		June 30, 2023		30, September 2022		\$ in millions, except per share amounts		December 31, 2023	September 30, 2023						
Assets:															
Cash and cash equivalents															
Cash and cash equivalents		Cash and cash equivalents		\$ 8,375	\$ 6,178										
Cash and cash equivalents															
Assets segregated for regulatory purposes and restricted cash		Assets segregated for regulatory purposes and restricted cash		3,839	8,481										
Collateralized agreements		Collateralized agreements		410	704										
Financial instruments, at fair value:		Financial instruments, at fair value:													
Trading assets (\$980 and \$1,188 pledged as collateral)		1,156	1,270												
Available-for-sale securities (\$23 and \$74 pledged as collateral)		9,566	9,885												
Trading assets (\$1,019 and \$1,062 pledged as collateral)															
Trading assets (\$1,019 and \$1,062 pledged as collateral)															
Available-for-sale securities (\$20 and \$22 pledged as collateral)															
Derivative assets	Derivative assets	229	188												
Other investments (\$6 and \$14 pledged as collateral)		306	292												
Other investments (\$7 and \$7 pledged as collateral)															
Brokerage client receivables, net	Brokerage client receivables, net	2,364	2,934												
Other receivables, net	Other receivables, net	1,612	1,615												
Bank loans, net	Bank loans, net	43,345	43,239												
Loans to financial advisors, net	Loans to financial advisors, net	1,122	1,152												
Deferred income taxes, net	Deferred income taxes, net	612	630												
Goodwill and identifiable intangible assets, net	Goodwill and identifiable intangible assets, net	1,928	1,931												
Other assets	Other assets	2,769	2,452												
Total assets	Total assets	\$77,633	\$ 80,951												

Liabilities and shareholders' equity:	Liabilities and shareholders' equity:
Liabilities and shareholders' equity:	
Bank deposits	
Bank deposits	
Bank deposits	Bank deposits \$53,768 \$ 51,357
Collateralized financings	Collateralized financings 181 466
Financial instrument liabilities, at fair value:	Financial instrument liabilities, at fair value:
Trading liabilities	
Trading liabilities	
Trading liabilities	Trading liabilities 768 836
Derivative liabilities	Derivative liabilities 393 530
Brokerage client payables	Brokerage client payables 6,035 11,446
Accrued compensation, commissions and benefits	Accrued compensation, commissions and benefits 1,700 1,787
Other payables	Other payables 1,727 1,768
Other borrowings	Other borrowings 1,100 1,291
Senior notes payable	Senior notes payable 2,039 2,038
Total liabilities	Total liabilities 67,711 71,519
Commitments and contingencies (see Note 16)	
Commitments and contingencies (see Note 15)	
Shareholders' equity	Shareholders' equity
Preferred stock	Preferred stock 79 120
Common stock; \$.01 par value; 650,000,000 shares authorized; 248,561,711 shares issued and 208,498,326 shares outstanding as of June 30, 2023; 248,018,564 shares issued and 215,122,523 shares outstanding as of September 30, 2022	
Preferred stock	Preferred stock 2 2
Preferred stock	Preferred stock

Common stock; \$.01 par value; 650,000,000 shares authorized; 249,682,751 shares issued and 208,665,962 shares outstanding as of December 31, 2023; 248,728,805 shares issued and 208,769,095 shares outstanding as of September 30, 2023	
Additional paid-in capital	Additional paid-in capital 3,099 2,987
Retained earnings	Retained earnings 9,870 8,843
Treasury stock, at cost; 40,063,385 and 32,896,041 common shares as of June 30, 2023 and September 30, 2022, respectively	(2,259) (1,512)
Treasury stock, at cost; 41,016,789 and 39,959,710 common shares as of December 31, 2023 and September 30, 2023, respectively	
Accumulated other comprehensive loss	Accumulated other comprehensive loss (842) (982)
Total equity attributable to Raymond James Financial, Inc.	Total equity attributable to Raymond James Financial, Inc. 9,949 9,458
Noncontrolling interests	Noncontrolling interests (27) (26)
Total shareholders' equity	Total shareholders' equity 9,922 9,432

Total liabilities and shareholders' equity	Total liabilities and shareholders' equity	\$77,633	\$ 80,951
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See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Unaudited)

in millions, except per share amounts	in millions, except per share amounts	Three months ended June 30,		Nine months ended June 30,		in millions, except per share amounts	Three months ended December 31,			
		2023	2022	2023	2022		2023	2022		
Revenues:										
Asset management and related administrative fees										
Administrative fees	Administrative fees	\$1,373	\$1,427	\$3,917	\$4,273					
Asset management and related administrative fees										
Administrative fees	Administrative fees									
Brokerage revenues:										
Securities commissions										
Securities commissions	Securities commissions	356	385	1,077	1,232					
Principal transactions	Principal transactions	105	128	364	403					
Total brokerage revenues	Total brokerage revenues	461	513	1,441	1,635					
Account and service fees	Account and service fees	264	211	811	567					
Investment banking	Investment banking	151	223	446	883					
Interest income	Interest income	987	374	2,729	841					
Other	Other	57	30	133	108					
Total revenues	Total revenues	3,293	2,778	9,477	8,307					
Interest expense	Interest expense	(386)	(60)	(911)	(135)					
Net revenues	Net revenues	2,907	2,718	8,566	8,172					
Non-interest expenses:										
Compensation, commissions and benefits										
Compensation, commissions and benefits	Compensation, commissions and benefits	1,851	1,834	5,407	5,570					
Compensation, commissions and benefits										
Non-compensation expenses:	Non-compensation expenses:									
Communications and information processing										
Communications and information processing	Communications and information processing	149	129	441	368					
Occupancy and equipment	Occupancy and equipment	68	65	202	186					

Business development	Business development	66	58	176	127		
Investment sub-advisory fees	Investment sub-advisory fees	40	38	110	116		
Professional fees	Professional fees	35	38	105	93		
Bank loan provision for credit losses	Bank loan provision for credit losses	54	56	96	66		
Other	Other						
Other	Other						
Other	Other	158	85	334	240		
Total non-compensation expenses	Total non-compensation expenses	570	469	1,464	1,196		
Total non-interest expenses	Total non-interest expenses	2,421	2,303	6,871	6,766		
Pre-tax income	Pre-tax income	486	415	1,695	1,406		
Provision for income taxes	Provision for income taxes	117	114	390	336		
Net income	Net income	369	301	1,305	1,070		
Preferred stock dividends	Preferred stock dividends	—	2	4	2		
Net income available to common shareholders	Net income available to common shareholders	\$ 369	\$ 299	\$ 1,301	\$ 1,068		
Earnings per common share – basic	Earnings per common share – basic	\$ 1.75	\$ 1.41	\$ 6.09	\$ 5.12		
Earnings per common share – basic	Earnings per common share – basic						
Earnings per common share – diluted	Earnings per common share – diluted	\$ 1.71	\$ 1.38	\$ 5.95	\$ 4.99		
Weighted-average common shares outstanding – basic	Weighted-average common shares outstanding – basic	210.1	210.7	213.0	208.1	Weighted-average common shares outstanding – basic	
Weighted-average common and common equivalent shares outstanding – diluted	Weighted-average common and common equivalent shares outstanding – diluted	214.8	215.7	218.0	213.5	Weighted-average common and common equivalent shares outstanding – diluted	
Net income	Net income	\$ 369	\$ 301	\$ 1,305	\$ 1,070		
Net income	Net income						
Other comprehensive income/(loss), net of tax:	Other comprehensive income/(loss), net of tax:						
Available-for-sale securities	Available-for-sale securities						
Available-for-sale securities	Available-for-sale securities	(76)	(157)	68	(532)		
Currency translations, net of the impact of net investment hedges	Currency translations, net of the impact of net investment hedges	20	(40)	73	(51)		
Cash flow hedges	Cash flow hedges	12	10	(1)	48		
Total other comprehensive income/(loss), net of tax	Total other comprehensive income/(loss), net of tax	(44)	(187)	140	(535)		

Total other comprehensive income, net of tax	
Total comprehensive income	\$ 325
	\$ 114
	\$ 1,445
	\$ 535

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

		Three months ended June 30,		Nine months ended June 30,	
\$ in millions, except per share amounts	\$ in millions, except per share amounts	2023	2022	2023	2022
\$ in millions, except per share amounts					
\$ in millions, except per share amounts					
Preferred stock:					
Preferred stock:					
Preferred stock:	Preferred stock:				
Balance beginning of period	Balance beginning of period	\$ 120	\$ —	\$ 120	\$ —
Balance beginning of period					
Balance beginning of period					
Preferred stock issued for TriState Capital Holdings, Inc. ("TriState Capital") acquisition		—	120	—	120
Redemption of preferred stock		(41)	—	(41)	—
Share issuances					
Share issuances					
Share issuances					
Balance end of period					
Balance end of period					
Balance end of period	Balance end of period	79	120	79	120
Common stock, par value \$.01 per share:	Common stock, par value \$.01 per share:				
Common stock, par value \$.01 per share:					
Balance beginning of period					
Balance beginning of period					
Balance beginning of period	Balance beginning of period	2	2	2	2
Share issuances	Share issuances	—	—	—	—
Share issuances					
Share issuances					
Balance end of period					
Balance end of period					
Balance end of period	Balance end of period	2	2	2	2
Additional paid-in capital:	Additional paid-in capital:				
Additional paid-in capital:					
Additional paid-in capital:					
Balance beginning of period	Balance beginning of period	3,035	2,093	2,987	2,088
Common stock issued for TriState Capital acquisition		—	778	—	778
Restricted stock awards issued for TriState Capital acquisition		—	28	—	28
Balance beginning of period					
Balance beginning of period					
Employee stock purchases					

Employee stock purchases					
Employee stock purchases	Employee stock purchases	13	13	35	35
Distributions due to vesting of restricted stock units and exercise of stock options, net of forfeitures	Distributions due to vesting of restricted stock units and exercise of stock options, net of forfeitures	—	(3)	(110)	(125)
Distributions due to vesting of restricted stock units and exercise of stock options, net of forfeitures					
Distributions due to vesting of restricted stock units and exercise of stock options, net of forfeitures					
Share-based compensation amortization	Share-based compensation amortization	51	39	187	144
Share-based compensation amortization					
Share-based compensation amortization					
Balance end of period					
Balance end of period					
Balance end of period					
Retained earnings:					
Retained earnings:					
Retained earnings:					
Balance beginning of period					
Balance beginning of period					
Balance beginning of period					
Net income attributable to Raymond James Financial, Inc.					
Net income attributable to Raymond James Financial, Inc.					
Net income attributable to Raymond James Financial, Inc.					
Common and preferred stock cash dividends declared (see Note 16)					
Common and preferred stock cash dividends declared (see Note 16)					
Common and preferred stock cash dividends declared (see Note 16)					
Balance end of period	Balance end of period	3,099	2,948	3,099	2,948
Retained earnings:					
Balance beginning of period		9,590	8,256	8,843	7,633
Net income		369	301	1,305	1,070
Common and preferred stock cash dividends declared (see Note 17)		(89)	(79)	(278)	(225)
Balance end of period					
Balance end of period	Balance end of period	9,870	8,478	9,870	8,478
Treasury stock:	Treasury stock:				
Treasury stock:					
Treasury stock:					
Balance beginning of period					
Balance beginning of period					
Balance beginning of period	Balance beginning of period	(1,954)	(1,360)	(1,512)	(1,437)
Purchases/surrenders	Purchases/surrenders	(305)	(100)	(810)	(110)
Purchases/surrenders					
Purchases/surrenders					
Reissuances due to vesting of restricted stock units and exercise of stock options	Reissuances due to vesting of restricted stock units and exercise of stock options	—	3	63	90
Reissuances due to vesting of restricted stock units and exercise of stock options					
Reissuances due to vesting of restricted stock units and exercise of stock options					
Balance end of period					
Balance end of period					
Balance end of period	Balance end of period	(2,259)	(1,457)	(2,259)	(1,457)

Accumulated other comprehensive loss:	Accumulated other comprehensive loss:						
Accumulated other comprehensive loss:							
Accumulated other comprehensive loss:							
Balance beginning of period	Balance beginning of period	(798)	(389)	(982)	(41)		
Other comprehensive income/(loss), net of tax		(44)	(187)	140	(535)		
Balance beginning of period							
Balance beginning of period							
Other comprehensive income, net of tax							
Other comprehensive income, net of tax							
Other comprehensive income, net of tax							
Balance end of period							
Balance end of period							
Balance end of period	Balance end of period	(842)	(576)	(842)	(576)		
Total equity attributable to Raymond James Financial, Inc.	Total equity attributable to Raymond James Financial, Inc.	\$ 9,949	\$ 9,515	\$ 9,949	\$ 9,515		
Total equity attributable to Raymond James Financial, Inc.							
Total equity attributable to Raymond James Financial, Inc.							
Noncontrolling interests:							
Noncontrolling interests:							
Noncontrolling interests:	Noncontrolling interests:						
Balance beginning of period	Balance beginning of period	\$ (26)	\$ 7	\$ (26)	\$ 58		
Net income/(loss) attributable to noncontrolling interests		(1)	1	(1)	1		
Balance beginning of period							
Balance beginning of period							
Deconsolidations and sales		—	(31)	—	(82)		
Consolidations							
Consolidations							
Consolidations							
Balance end of period							
Balance end of period							
Balance end of period	Balance end of period	(27)	(23)	(27)	(23)		
Total shareholders' equity	Total shareholders' equity	\$ 9,922	\$ 9,492	\$ 9,922	\$ 9,492		
Total shareholders' equity							
Total shareholders' equity							

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

		Nine months ended June 30,					
						Three months ended December 31,	
\$ in millions	\$ in millions	2023	2022	\$ in millions		2023	2022
Cash flows from operating activities:	Cash flows from operating activities:						
Net income	Net income	\$ 1,305	\$ 1,070				
Adjustments to reconcile net income to net cash used in operating activities:							

Adjustments to reconcile net income to net cash provided by/(used in) operating activities:			
Adjustments to reconcile net income to net cash provided by/(used in) operating activities:			
Depreciation and amortization	Depreciation and amortization	123	105
Deferred income taxes, net	Deferred income taxes, net	(22)	23
Premium and discount amortization on available-for-sale securities and bank loans and net unrealized gain/loss on other investments	Premium and discount amortization on available-for-sale securities and bank loans and net unrealized gain/loss on other investments	(37)	40
Provisions for credit losses and legal and regulatory proceedings		191	72
Provisions for credit losses and legal and regulatory matters, net			
Share-based compensation expense	Share-based compensation expense	192	149
Unrealized (gain)/loss on company-owned life insurance policies, net of expenses		(125)	136
Unrealized gain on company-owned life insurance policies, net of expenses			
Other	Other	(1)	25
Other			
Other			
Net change in:	Net change in:		Net change in:
Assets segregated for regulatory purposes excluding cash and cash equivalents		—	101
Collateralized agreements, net of collateralized financings			
Collateralized agreements, net of collateralized financings			
Collateralized agreements, net of collateralized financings	Collateralized agreements, net of collateralized financings	9	10
Loans (provided to) financial advisors, net of repayments	Loans (provided to) financial advisors, net of repayments	16	(85)
Brokerage client receivables and other receivables, net	Brokerage client receivables and other receivables, net	456	(57)

Trading instruments, net	Trading instruments, net	62	126
Derivative instruments, net	Derivative instruments, net	(224)	246
Other assets	Other assets	(43)	(97)
Brokerage client payables and other payables	Brokerage client payables and other payables	(5,764)	2,985
Accrued compensation, commissions and benefits	Accrued compensation, commissions and benefits	(95)	(261)
Purchases and originations of loans held for sale, net of proceeds from sales of securitizations and loans held for sale	Purchases and originations of loans held for sale, net of proceeds from sales of securitizations and loans held for sale	9	(18)
Net cash provided by/(used in) operating activities	Net cash provided by/(used in) operating activities	(3,948)	4,570
Cash flows from investing activities:	Cash flows from investing activities:		
Cash flows from investing activities:			
Increase in bank loans, net	Increase in bank loans, net	(762)	(5,377)
Proceeds from sales of loans held for investment	Proceeds from sales of loans held for investment	600	191
Purchases of available-for-sale securities	Purchases of available-for-sale securities	(561)	(2,743)
Available-for-sale securities maturations, repayments and redemptions	Available-for-sale securities maturations, repayments and redemptions	977	1,346
Proceeds from sales of available-for-sale securities		—	2
Cash and cash equivalents acquired in business acquisitions, including those segregated for regulatory purposes, net of cash paid for acquisitions		—	1,769
Additions to property and equipment	Additions to property and equipment	(122)	(68)
Sales of Federal Home Loan Bank stock, net		3	—
Investment in note receivable		—	(125)
Purchases of other investments, net		(6)	(33)
Additions to property and equipment			
Additions to property and equipment			
Investment in solar tax credit equity investment			
Investment in solar tax credit equity investment			

Investment in solar tax credit equity investment	
Other investing activities, net	Other investing activities, net
	(61) (81)
Net cash provided by/(used in) investing activities	68 (5,119)
Other investing activities, net	
Other investing activities, net	
Net cash used in investing activities	

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

		Nine months ended June 30,		Three months ended December 31,		
		Three months ended December 31,				
\$ in millions	\$ in millions	2023	2022	\$ in millions	2023	2022
Cash flows from financing activities:	Cash flows from financing activities:					
Increase in bank deposits	Increase in bank deposits	2,411	4,800			
Increase in bank deposits	Increase in bank deposits					
Repurchases of common stock and share-based awards withheld for payment of withholding tax requirements	Repurchases of common stock and share-based awards withheld for payment of withholding tax requirements	(860)	(160)			
Dividends on preferred and common stock	Dividends on preferred and common stock	(266)	(200)			
Dividends on common and preferred stock	Dividends on common and preferred stock					
Exercise of stock options and employee stock purchases	Exercise of stock options and employee stock purchases	37	44			
Redemption of preferred stock	Redemption of preferred stock	(40)	—			
Proceeds from Federal Home Loan Bank advances	Proceeds from Federal Home Loan Bank advances					
Proceeds from Federal Home Loan Bank advances	Proceeds from Federal Home Loan Bank advances					
Proceeds from Federal Home Loan Bank advances	Proceeds from Federal Home Loan Bank advances	2,550	1,025			

Repayments of Federal Home Loan Bank advances and other borrowed funds	Repayments of Federal Home Loan Bank advances and other borrowed funds	(2,741)	(906)
Other financing, net	Other financing, net	(2)	(5)
Net cash provided by financing activities	Net cash provided by financing activities	1,089	4,598
Currency adjustment:			
Currency adjustment:	Currency adjustment:		
Effect of exchange rate changes on cash and cash equivalents, including those segregated for regulatory purposes	Effect of exchange rate changes on cash and cash equivalents, including those segregated for regulatory purposes	346	(289)
Net increase/(decrease) in cash and cash equivalents, including those segregated for regulatory purposes and restricted cash	Net increase/(decrease) in cash and cash equivalents, including those segregated for regulatory purposes and restricted cash	(2,445)	3,760
Cash and cash equivalents, including those segregated for regulatory purposes and restricted cash at beginning of year	Cash and cash equivalents, including those segregated for regulatory purposes and restricted cash at beginning of year	14,659	16,449
Cash and cash equivalents, including those segregated for regulatory purposes and restricted cash at end of period	Cash and cash equivalents, including those segregated for regulatory purposes and restricted cash at end of period	\$12,214	\$20,209
Cash and cash equivalents	Cash and cash equivalents	\$ 8,375	\$ 5,958
Cash and cash equivalents			
Cash and cash equivalents segregated for regulatory purposes and restricted cash	Cash and cash equivalents segregated for regulatory purposes and restricted cash	3,839	14,251
Total cash and cash equivalents, including those segregated for regulatory purposes and restricted cash at end of period	Total cash and cash equivalents, including those segregated for regulatory purposes and restricted cash at end of period	\$12,214	\$20,209

Supplemental disclosures of cash flow information:	
Supplemental disclosures of cash flow information:	
Supplemental disclosures of cash flow information:	Supplemental disclosures of cash flow information:
Cash paid for interest	Cash paid for interest \$ 858 \$ 137
Cash paid for income taxes, net	Cash paid for income taxes, net \$ 536 \$ 386
Cash outflows for lease liabilities	Cash outflows for lease liabilities \$ 92 \$ 80
Non-cash right-of-use assets recorded for new and modified leases	Non-cash right-of-use assets recorded for new and modified leases \$ 112 \$ 39
Common stock issued as consideration for TriState Capital acquisition	\$ — \$ 778
Restricted stock awards issued as consideration for TriState Capital acquisition	\$ — \$ 28
Preferred stock issued as consideration for TriState Capital acquisition	\$ — \$ 120
Effective settlement of note receivable for TriState Capital acquisition	\$ — \$ 123

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

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RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
June 30, December 31, 2023

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION

Organization

Raymond James Financial, Inc. ("RJF" or the "firm") is a financial holding company which, together with its subsidiaries, is engaged in various financial services activities, including providing investment management services to retail and institutional clients, merger & acquisition and advisory services, the underwriting, distribution, trading and brokerage of equity and debt securities, and the sale of mutual funds and other investment products. The firm also provides corporate and retail banking services and trust services. As used herein, the terms "our," "we," or "us" refer to RJF and/or one or more of its subsidiaries.

Basis of presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of RJF and its consolidated subsidiaries that are generally controlled through a majority voting interest. We consolidate all of our 100%-owned subsidiaries. In addition, we consolidate any variable interest entity ("VIE") in which we are the primary beneficiary. Additional information on these VIEs is provided in Note 2 of our Annual Report on Form 10-K ("2022 2023 Form 10-K") for the year ended **September 30, 2022** **September 30, 2023**, as filed with the United States ("U.S.") Securities and Exchange Commission ("SEC") and in Note 9 of this Quarterly Report on Form 10-Q ("Form 10-Q"). When we do not have a controlling interest in an entity, but we exert significant influence over the entity, we apply the equity method of accounting. All material intercompany balances and transactions have been eliminated in consolidation.

Accounting estimates and assumptions

Certain financial information that is normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP") but is not required for interim reporting purposes has been condensed or omitted. These unaudited condensed consolidated financial statements reflect, in the opinion of management, all adjustments necessary for a fair presentation of our consolidated financial position and results of operations for the periods presented.

The nature of our business is such that the results of any interim period are not necessarily indicative of results for a full year. These unaudited condensed consolidated financial statements should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the Consolidated Financial Statements and Notes thereto included in our **2022** **2023** Form 10-K. To prepare condensed consolidated financial statements in accordance with GAAP, we must make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of **contingent** liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from those estimates and could have a material impact on the condensed consolidated financial statements.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period's presentation.

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

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NOTE 2 – UPDATE OF SIGNIFICANT ACCOUNTING POLICIES

A summary of our significant accounting policies is included in Note 2 of our **2022** **2023** Form 10-K. **There have been** During the three months ended December 31, 2023, there were no significant changes **in to** our significant accounting policies **since September 30, 2022** other than the accounting policies adopted or modified as part of our implementation of new or amended accounting guidance, as noted in the following sections.

Accounting guidance adopted in fiscal 2024

In March 2022, the Financial Accounting Standards Board ("FASB") issued new guidance related to troubled debt restructurings ("TDRs") and disclosures regarding write-offs of financing receivables (ASU 2022-02), amending guidance related to the measurement of credit losses on financial instruments (ASU 2016-13). The update eliminates the requirement to use a discounted cash flow approach to measure the allowance for credit losses for TDRs and instead allows for the use of a current expected credit loss ("CECL") approach for all loans. Under a CECL approach, the impact of loan modifications and the subsequent performance of modified loans, including defaults, is reflected in the historical loss data used to calculate expected lifetime credit losses. In addition, the update requires new disclosures about modifications granted to borrowers experiencing financial difficulty in the form of principal forgiveness, interest rate reductions, other-than-insignificant payment delays, term extensions, or a combination of these modifications. The update also requires new disclosures for the financial effects of these modifications and for loan performance in the twelve months following the modification, and also requires disclosure of current period gross charge-offs by year of origination. We adopted this guidance on a prospective basis as of October 1, 2023, which did not have a material impact on our financial position or results of operations. Refer to Note 7 for additional disclosures required by this guidance and changes to our accounting policies as a result of this adoption. See Note 2 of our 2023 Form 10-K for a discussion of our accounting policies related to our nonperforming assets and allowance for credit losses.

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

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NOTE 3 – FAIR VALUE

Our "Financial instruments" and "Financial instrument liabilities" on our Condensed Consolidated Statements of Financial Condition are recorded at fair value. **For** **See Notes 2 and 4 of our 2023 Form 10-K** for further information about such instruments and our significant accounting policies related to fair value, **see Notes 2 and 4 of our 2022 Form 10-K.** value. The following tables present assets and liabilities measured at fair value on a recurring basis. Netting adjustments represent the impact of counterparty and collateral netting on our derivative balances included on our Condensed Consolidated Statements of Financial Condition. See Note 5 for additional information.

\$ in millions	\$ in millions	Balance as of June 30,				Level 1	Level 2	Level 3	Netting adjustments	Balance as of December 31, 2023
		Level 1	Level 2	3	Netting adjustments					
Assets at fair value on a recurring basis:	Assets at fair value on a recurring basis:									
Assets at fair value on a recurring basis:										
Trading assets:										
Trading assets:	Trading assets:									
Municipal and provincial obligations	Municipal and provincial obligations	\$ —	\$ 257	\$ —	\$ —	\$ 257				
Corporate obligations	Corporate obligations	24	598	—	—	622				

Government and agency obligations	Government and agency obligations	44	105	—	—	149
Agency mortgage-backed securities ("MBS"), collateralized mortgage obligations ("CMOs") and asset-backed securities ("ABS")	Agency mortgage-backed securities ("MBS"), collateralized mortgage obligations ("CMOs") and asset-backed securities ("ABS")	—	19	—	—	19
Non-agency CMOs and ABS	Non-agency CMOs and ABS	—	60	—	—	60
Total debt securities	Total debt securities	68	1,039	—	—	1,107
Equity securities	Equity securities	10	2	—	—	12
Brokered certificates of deposit	Brokered certificates of deposit	—	28	—	—	28
Other	Other	—	—	9	—	9
Total trading assets	Total trading assets	78	1,069	9	—	1,156
Available-for-sale securities (1)	Available-for-sale securities (1)	1,238	8,328	—	—	9,566
Derivative assets:						
Interest rate	Interest rate	9	414	—	(199)	224
Derivative assets - interest rate						
Derivative assets - interest rate						
Derivative assets - interest rate						
Foreign exchange	Foreign exchange	—	5	—	—	5
Total derivative assets	Total derivative assets	9	419	—	(199)	229
All other investments:	All other investments:					
All other investments:	All other investments:					
Government and agency obligations (2)	Government and agency obligations (2)					
Government and agency obligations (2)	Government and agency obligations (2)					
Government and agency obligations (2)	Government and agency obligations (2)	82	—	—	—	82
Other	Other	93	2	29	—	124
Total all other investments	Total all other investments	175	2	29	—	206
Other assets - client-owned fractional shares	Other assets - client-owned fractional shares	100	—	—	—	100
Subtotal	Subtotal	1,600	9,818	38	(199)	11,257

Other	Other					
investments -	investments -					
private equity -	private equity -					
measured at	measured at					
net asset	net asset					
value ("NAV")	value ("NAV")					100
Total assets at	Total assets at					
fair value on a	fair value on a					
recurring basis	recurring basis	\$1,600	\$9,818	\$ 38	\$ (199)	\$11,357
Liabilities at fair	Liabilities at fair					
value on a	value on a					
recurring basis:	recurring basis:					
Liabilities at fair value on a						
recurring basis:						
Liabilities at fair value on a						
recurring basis:						
Trading liabilities:	Trading liabilities:					
Trading liabilities:						
Trading liabilities:						
Trading liabilities:						
Municipal and provincial						
obligations						
Municipal and provincial						
obligations						
Municipal and	Municipal and					
provincial	provincial					
obligations	obligations	\$ 10	\$ 2	\$ —	\$ —	\$ 12
Corporate	Corporate					
obligations	obligations	—	561	—	—	561
Government	Government					
and agency	and agency					
obligations	obligations	129	—	—	—	129
Total debt	Total debt					
securities	securities	139	563	—	—	702
Total debt securities						
Total debt securities						
Equity	Equity					
securities	securities	66	—	—	—	66
Total trading	Total trading					
liabilities	liabilities	205	563	—	—	768
Total trading liabilities						
Total trading liabilities						
Derivative	Derivative					
liabilities:	liabilities:					
Interest rate						
Interest rate						
Interest rate	Interest rate	8	461	—	(80)	389
Foreign exchange						
Other		—	—	4	—	4
Foreign exchange						
Foreign exchange						
Total derivative liabilities						
Total derivative liabilities						
Total derivative	Total derivative					
liabilities	liabilities	8	461	4	(80)	393

Other payables -	Other payables -					
repurchase	repurchase					
liabilities	liabilities					
related to	related to					
client-owned	client-owned					
fractional	fractional					
shares	shares	100	—	—	—	100
Total liabilities	Total liabilities					
at fair value on	at fair value on					
a recurring	a recurring					
basis	basis	\$ 313	\$ 1,024	\$ 4	\$ (80)	\$ 1,261
		<u> </u>				

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

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\$ in millions	\$ in millions	Balance as of September				Level 1	Level 2	Level 3	Netting adjustments	Balance as of September 30, 2023
		Level 1	Level 2	3	Netting adjustments					
Assets at fair value on a recurring basis:	Assets at fair value on a recurring basis:									
Trading assets:	Trading assets:									
Trading assets:	Trading assets:									
Trading assets:	Trading assets:									
Municipal and provincial obligations	Municipal and provincial obligations	\$ —	\$ 269	\$ —	\$ —	\$ 269				
Corporate obligations	Corporate obligations	16	579	—	—	595				
Government and agency obligations	Government and agency obligations	86	85	—	—	171				
Agency MBS, CMOs, and ABS	Agency MBS, CMOs, and ABS	—	123	—	—	123				
Non-agency CMOs and ABS	Non-agency CMOs and ABS	—	61	—	—	61				
Total debt securities	Total debt securities	102	1,117	—	—	1,219				
Equity securities	Equity securities	20	—	—	—	20				
Brokered certificates of deposit	Brokered certificates of deposit	—	30	—	—	30				
Other	Other	—	—	1	—	1				
Total trading assets	Total trading assets	122	1,147	1	—	1,270				
Available-for-sale securities (1)	Available-for-sale securities (1)	986	8,899	—	—	9,885				
Derivative assets:	Derivative assets:									
Interest rate	Interest rate	42	484	—	(348)	178				
Interest rate	Interest rate									
Interest rate	Interest rate									

Foreign exchange						
Foreign exchange						
Foreign exchange	Foreign exchange	—	10	—	—	10
Total derivative assets	Total derivative assets	42	494	—	(348)	188
All other investments:	All other investments:					
All other investments:						
All other investments:						
Government and agency obligations (2)						
Government and agency obligations (2)						
Government and agency obligations (2)	Government and agency obligations (2)	79	—	—	—	79
Other	Other	92	2	29	—	123
Total all other investments	Total all other investments	171	2	29	—	202
Other assets - client-owned fractional shares	Other assets - client-owned fractional shares	78	—	—	—	78
Subtotal	Subtotal	1,399	10,542	30	(348)	11,623
Other investments - private equity - measured at NAV	Other investments - private equity - measured at NAV					90
Total assets at fair value on a recurring basis	Total assets at fair value on a recurring basis	\$ 1,399	\$ 10,542	\$ 30	\$ (348)	\$ 11,713
Liabilities at fair value on a recurring basis:	Liabilities at fair value on a recurring basis:					
Liabilities at fair value on a recurring basis:						
Trading liabilities:	Trading liabilities:					
Trading liabilities:						
Municipal and provincial obligations						
Municipal and provincial obligations						
Municipal and provincial obligations	Municipal and provincial obligations	\$ 5	\$ —	\$ —	\$ —	5
Corporate obligations	Corporate obligations	—	555	—	—	555
Government and agency obligations	Government and agency obligations	249	—	—	—	249
Total debt securities	Total debt securities	254	555	—	—	809

Total debt securities						
Total debt securities						
Equity securities	Equity securities	27	—	—	—	27
Total trading liabilities	Total trading liabilities	281	555	—	—	836
Total trading liabilities						
Derivative liabilities:	Derivative liabilities:	—	—	—	—	—
Interest rate						
Interest rate						
Interest rate	Interest rate	40	547	—	(65)	522
Foreign exchange	Foreign exchange	—	5	—	—	5
Other	—	—	3	—	—	3
Foreign exchange						
Foreign exchange						
Total derivative liabilities						
Total derivative liabilities						
Total derivative liabilities	Total derivative liabilities	40	552	3	(65)	530
Other payables - Other payables -						
repurchase liabilities	repurchase liabilities	—	—	—	—	—
related to client-owned fractional shares	related to client-owned fractional shares	78	—	—	—	78
Total liabilities at fair value on a recurring basis	Total liabilities at fair value on a recurring basis	\$ 399	\$ 1,107	\$ 3	\$ (65)	\$ 1,444

(1) Our available-for-sale securities primarily consist of agency MBS, agency CMOs, and U.S. Treasury securities ("U.S. Treasuries"). See Note 4 for further information.

(2) These assets are primarily comprised of U.S. Treasuries purchased to meet certain deposit requirements with clearing organizations.

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

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Level 3 recurring fair value measurements

The following tables present the changes in fair value for Level 3 assets and liabilities measured at fair value on a recurring basis. The realized and unrealized gains and losses in the tables may include changes in fair value that were attributable to both observable and unobservable inputs. In the following tables, gains/(losses) on trading and derivative instruments are reported in "Principal transactions" and gains/(losses) on other investments are reported in "Other" revenues on our Condensed Consolidated Statements of Income and Comprehensive Income.

Three months ended June 30, 2023
Level 3 instruments at fair value

Financial assets		Financial liabilities
Trading assets	Other investments	Derivative liabilities
Three months ended December 31, 2023 Level 3 instruments at fair value		
Three months ended December 31, 2023 Level 3 instruments at fair value		
Three months ended December 31, 2023 Level 3 instruments at fair value		

		Financial assets			Financial assets			Financial liabilities	
		Trading assets		Trading assets			Other investments		Derivative liabilities
\$ in millions	\$ in millions	Other	All other	\$ in millions	Other	All other	Other		
Fair value beginning of period	Fair value beginning of period	\$ 3	\$ 28	\$ (4)					
Total gains/(losses) included in earnings	Total gains/(losses) included in earnings	(1)	1	—					
Purchases and contributions	Purchases and contributions	19	—	—					
Sales and distributions	Sales and distributions	(12)	—	—					
Transfers:	Transfers:								
Into Level 3	Into Level 3	—	—	—					
Into Level 3									
Into Level 3									
Out of Level 3	Out of Level 3	—	—	—					
Fair value end of period	Fair value end of period	\$ 9	\$ 29	\$ (4)					
Unrealized gains/(losses) for the period included in earnings for instruments held at the end of the reporting period	Unrealized gains/(losses) for the period included in earnings for instruments held at the end of the reporting period	\$ 1	\$ 1	\$ —					

Nine Months Ended June 30, 2023

Level 3 instruments at fair value

\$ in millions	Financial assets			Financial liabilities	
	Trading assets		Other investments		Derivative liabilities
	Other	All other	Other		
Fair value beginning of period	\$ 1	\$ 29	\$ —	\$ (3)	
Total gains/(losses) included in earnings	(1)	—	—	(1)	
Purchases and contributions	55	—	—	—	
Sales and distributions	(46)	—	—	—	
Transfers:					
Into Level 3	—	—	—	—	
Out of Level 3	—	—	—	—	
Fair value end of period	\$ 9	\$ 29	\$ —	\$ (4)	
Unrealized gains/(losses) for the period included in earnings for instruments held at the end of the reporting period	\$ 1	\$ —	\$ —	\$ (1)	

Three months ended December 31, 2022

Level 3 instruments at fair value

\$ in millions	Financial assets			Financial liabilities	
	Trading assets		Other investments		Derivative liabilities
	Other	All other	Other		
Fair value beginning of period	\$ 1	\$ 29	\$ —	\$ (3)	
Total gains/(losses) included in earnings	—	1	—	(1)	
Purchases and contributions	25	—	—	—	
Sales and distributions	(20)	—	—	—	

Transfers:			
Into Level 3	—	—	—
Out of Level 3	—	—	—
Fair value end of period	\$ 6	\$ 30	\$ (4)
Unrealized gains/(losses) for the period included in earnings for instruments held at the end of the reporting period	\$ (1)	\$ 1	\$ (1)

Three months ended June 30, 2022
Level 3 instruments at fair value

\$ in millions	Financial assets			Financial liabilities	
	Trading assets		Derivative assets	Other investments	Trading liabilities
	Other	Other	All other	Other	Other
Fair value beginning of period	\$ 13	\$ —	\$ 53	\$ (1)	\$ —
Total gains/(losses) included in earnings	(1)	2	—	1	(1)
Purchases and contributions	37	—	—	—	—
Sales, distributions, and deconsolidations	(49)	—	(2)	—	—
Transfers:					
Into Level 3	—	—	—	—	—
Out of Level 3	—	—	—	—	—
Fair value end of period	\$ —	\$ 2	\$ 51	\$ —	\$ (1)
Unrealized gains/(losses) for the period included in earnings for instruments held at the end of the reporting period	\$ —	\$ 2	\$ 5	\$ —	\$ (1)

Nine Months Ended June 30, 2022
Level 3 instruments at fair value

\$ in millions	Financial assets			Financial liabilities	
	Trading assets		Derivative assets	Other investments	Derivative liabilities
	Other	Other	All other	Other	Other
Fair value beginning of period	\$ 14	\$ —	\$ 98	\$ (1)	\$ —
Total gains/(losses) included in earnings	1	2	—	—	—
Purchases and contributions	91	—	7	—	—
Sales, distributions, and deconsolidations	(106)	—	(42)	—	—
Transfers:					
Into Level 3	—	—	—	—	—
Out of Level 3	—	—	(12)	—	—
Fair value end of period	\$ —	\$ 2	\$ 51	\$ (1)	\$ (1)
Unrealized gains/(losses) for the period included in earnings for instruments held at the end of the reporting period	\$ —	\$ 2	\$ 5	\$ —	\$ (1)

As of June 30, 2023, 15% of our assets both December 31, 2023 and 2% of our liabilities were measured at fair value on a recurring basis. In comparison, as of September 30, 2022 September 30, 2023, 14% of our assets and 2% of our liabilities were measured at fair value on a recurring basis. As of both June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, Level 3 assets represented less than 1% of our assets measured at fair value on a recurring basis.

Investments in private equity measured at net asset value per share

As more fully described in Note 2 of our 2022 2023 Form 10-K, as a practical expedient, we utilize NAV or its equivalent to determine the recorded value of a portion of our private equity investments portfolio. We utilize NAV when the fund investment does not have a readily determinable fair value and the NAV of the fund is calculated in a manner consistent with the measurement principles of investment company accounting, including measurement of the investments at fair value.

Our private equity portfolio as of June 30, 2023 December 31, 2023 primarily included investments in third-party funds, including growth equity, venture capital, and mezzanine lending fund investments. Our investments cannot be redeemed directly with the funds. Our investments are monetized through the liquidation of underlying assets of fund investments, the timing of which is uncertain.

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

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The following table presents the recorded value and unfunded commitments related to our private equity investments portfolio.

\$ in millions	Recorded value	Unfunded commitment
\$ in millions	\$ in millions	
<u>June 30, 2023</u>		
<u>December 31, 2023</u>		
Private equity investments measured at NAV		
Private equity investments measured at NAV		
Private equity investments measured at NAV	\$ 100	\$ 36
Private equity investments not measured at NAV		
Private equity investments not measured at NAV		
Private equity investments not measured at NAV		7
Total private equity investments	Total	
private equity investments	private equity investments	
investments	\$ 107	
Total private equity investments		
September 30, 2022		
September 30, 2023		
September 30, 2023		
September 30, 2023		
Private equity investments measured at NAV		
Private equity investments measured at NAV		
Private equity investments measured at NAV		
Private equity investments measured at NAV	\$ 90	\$ 39
Private equity investments not measured at NAV		
Private equity investments not measured at NAV		
Private equity investments not measured at NAV		5
Total private equity investments	Total	
private equity investments	private equity investments	
investments	\$ 95	
Total private equity investments		

Financial instruments measured at fair value on a nonrecurring basis

The following table presents assets measured at fair value on a nonrecurring basis along with the valuation techniques and significant unobservable inputs used in the valuation of the assets classified as level 3. These inputs represent those that a market participant would take into account when pricing these instruments. Weighted averages are calculated by weighting each input by the relative fair value of the related financial instrument.

\$ in millions	Total			Range	
	Level 2	Level 3	fair value	Valuation technique(s)	Unobservable input
June 30, 2023					
\$ in millions					
December					
31, 2023					
Bank loans:	Bank loans:				
Bank loans:					
Bank loans:					
Residential mortgage loans	Residential mortgage loans	\$ 2	\$ 8	\$ 10	Collateral or discounted cash flow ⁽¹⁾
					Prepayment rate
					7 yrs. - 12 yrs. (10.3 yrs.)
Corporate loans	Corporate loans	\$ —	\$ 95	\$ 95	Collateral or discounted cash flow ⁽¹⁾
					Recovery rate
					41% - 70% (64%)
Loans held for sale	Loans held for sale	\$ 28	\$ —	\$ 28	N/A
					N/A
					N/A
September 30, 2022					
September 30, 2023					
September 30, 2023					
September 30, 2023					
Bank loans:	Bank loans:				
Bank loans:					
Bank loans:					
Residential mortgage loans	Residential mortgage loans	\$ 2	\$ 10	\$ 12	Collateral or discounted cash flow ⁽¹⁾
					Prepayment rate
					7 yrs. - 12 yrs. (10.4 yrs.)
Corporate loans	Corporate loans	\$ —	\$ 57	\$ 57	Collateral or discounted cash flow ⁽¹⁾
					Recovery rate
					24% - 66% (47%)
Loans held for sale	Loans held for sale	\$ 3	\$ —	\$ 3	N/A
					N/A
					N/A

(1) The valuation techniques used to estimate the fair values are based on collateral value less selling costs for the collateral-dependent loans and discounted cash flows for loans that are not collateral-dependent.

Unobservable inputs used in the collateral valuation technique are not meaningful and unobservable inputs used in the discounted cash flow valuation technique are presented in the table.

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

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Financial instruments not recorded at fair value

Many, but not all, of the financial instruments we hold were recorded at fair value on the Condensed Consolidated Statements of Financial Condition. The following table presents the estimated fair value and fair value hierarchy of financial assets and liabilities that are not recorded at fair value on the Condensed Consolidated Statements of Financial Condition at **June 30, 2023** **December 31, 2023** and **September 30, 2022** **September 30, 2023**. This table excludes financial instruments that are carried at amounts which approximate fair value. Refer to See Note 4 of our **2022** **2023** Form 10-K for a discussion of the fair value hierarchy classifications of our financial instruments that are not recorded at fair value.

\$ in millions	\$ in millions	Total			Carrying amount		
		Level 2	Level 3	estimated fair value			
June 30, 2023							
\$ in millions							
December 31, 2023							
2023							
Financial assets:							
Financial assets:							
Financial assets:	Financial assets:						
Bank loans, net	Bank loans, net	\$ 106	\$ 42,410	\$ 42,516	\$ 43,212		
Financial liabilities:	Financial liabilities:						
Bank deposits - certificates of deposit	Bank deposits - certificates of deposit	\$ 2,732	\$ —	\$ 2,732	\$ 2,739		
Bank deposits - certificates of deposit	Bank deposits - certificates of deposit						
Other borrowings - subordinated notes payable	Other borrowings - subordinated notes payable	\$ 92	\$ —	\$ 92	\$ 100		
Senior notes payable	Senior notes payable	\$ 1,776	\$ —	\$ 1,776	\$ 2,039		
September 30, 2022							
September 30, 2023							
September 30, 2023							
September 30, 2023							
Financial assets:	Financial assets:						
Financial assets:	Financial assets:						
Bank loans, net	Bank loans, net						
Bank loans, net	Bank loans, net	\$ 134	\$ 42,336	\$ 42,470	\$ 43,167		
Financial liabilities:	Financial liabilities:						
Bank deposits - certificates of deposit	Bank deposits - certificates of deposit	\$ 400	\$ 579	\$ 979	\$ 999		
Bank deposits - certificates of deposit	Bank deposits - certificates of deposit						
Bank deposits - certificates of deposit	Bank deposits - certificates of deposit						

Other	Other
borrowings -	borrowings -
subordinated	subordinated
notes	notes
payable	payable \$ 95 \$ — \$ 95 \$ 100
Senior notes	Senior notes
payable	payable \$ 1,706 \$ — \$ 1,706 \$ 2,038

RAYMOND JAMES FINANCIAL, INC. AND SUBSIDIARIES

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NOTE 4 – AVAILABLE-FOR-SELL SECURITIES

Refer to See Note 2 of our 2022 2023 Form 10-K for a discussion of our accounting policies applicable to our available-for-sale securities.

The following table details the amortized costs and fair values of our available-for-sale securities. See Note 3 for additional information regarding the fair value of available-for-sale securities.

		Gross	Gross							
\$ in millions	\$ in millions	Cost basis	unrealized gains	unrealized losses	Fair value	\$ in millions	Cost basis	Gross unrealized gains	Gross unrealized losses	Fair value
June 30, 2023										
December 31, 2023										
2023										
Agency residential	Agency residential									
MBS	MBS	\$ 5,064	\$ 1	\$ (560)	\$ 4,505					
Agency commercial	Agency commercial									
MBS	MBS	1,469	—	(197)	1,272					
Agency CMOs	Agency CMOs	1,497	—	(245)	1,252					
Other agency obligations	Other agency obligations	710	—	(28)	682					
Non-agency residential	Non-agency residential									
MBS	MBS	509	—	(44)	465					
U.S.	U.S.									
Treasuries	Treasuries	1,265	—	(27)	1,238					
Corporate bonds	Corporate bonds	140	—	(6)	134					
Other	Other	18	—	—	18					
Total available-for-sale securities	Total available-for-sale securities	\$ 10,672	\$ 1	\$ (1,107)	\$ 9,566					
September 30, 2022										
September 30, 2023										
September 30, 2023										
Agency residential	Agency residential									
MBS	MBS	\$ 5,662	\$ —	\$ (668)	\$ 4,994					
Agency commercial	Agency commercial									
MBS	MBS	1,518	—	(208)	1,310					
Agency CMOs	Agency CMOs	1,637	—	(233)	1,404					

Other agency obligations	Other agency obligations	613	—	(31)	582
Non-agency residential MBS	Non-agency residential MBS	492	—	(41)	451
U.S. Treasuries	U.S. Treasuries	1,014	—	(28)	986
Corporate bonds	Corporate bonds	146	—	(5)	141
Other	Other	18	—	(1)	17
Total available-for-sale securities	Total available-for-sale securities	\$11,100	\$ —	\$ (1,215)	\$9,885

The amortized costs and fair values in the preceding table exclude \$28 million \$29 million and \$24 million \$28 million of accrued interest on available-for-sale securities as of June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, respectively, which was included in "Other" Other receivables, net net on our Condensed Consolidated Statements of Financial Condition.

See Note 6 for more information regarding available-for-sale securities pledged with the Federal Home Loan Bank ("FHLB") and Federal Reserve Bank of Atlanta ("FRB").

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The following table details the contractual maturities, amortized costs, carrying fair values and current yields for our available-for-sale securities. Weighted-average yields are calculated on a taxable-equivalent basis based on estimated annual income divided by the average amortized cost of these securities. Since our MBS and CMO available-for-sale securities are backed by mortgages, actual maturities may differ from contractual maturities because borrowers may have the right to prepay obligations without prepayment penalties. As a result, the weighted-average life of our available-for-sale securities portfolio, after factoring in estimated prepayments, was approximately 4.30 4.0 years as of June 30, 2023 December 31, 2023.

\$ in millions	\$ in millions	June 30, 2023					December 31, 2023					Total		
		After one but		After five but			\$ in millions	After one but		After five but				
		Within one year	Within five years	Within ten years	After ten years	Total		Within one year	Within five years	Within ten years	After ten years			
		one year	years	years	years	Total		one year	years	years	years			
Agency residential MBS	Agency residential MBS						Agency residential MBS							
Amortized cost	Amortized cost	\$ —	\$ 127	\$ 2,240	\$ 2,697	\$ 5,064								
Carrying value		\$ —	\$ 122	\$ 2,011	\$ 2,372	\$ 4,505								
Fair value														
Weighted-average yield	Weighted-average yield	— %	2.46 %	1.29 %	1.90 %	1.65 %	Weighted-average yield	2.11 %	2.53 %	1.31 %	1.95 %	1.68 %		
Agency commercial MBS	Agency commercial MBS													
Amortized cost	Amortized cost	\$ —	\$ 919	\$ 499	\$ 51	\$ 1,469								
Carrying value		\$ —	\$ 824	\$ 406	\$ 42	\$ 1,272								
Amortized cost														
Amortized cost														
Fair value														
Weighted-average yield	Weighted-average yield	— %	1.61 %	1.21 %	1.87 %	1.48 %	Weighted-average yield	3.45 %	1.60 %	1.20 %	1.87 %	1.51 %		
Agency CMOs	Agency CMOs						Agency CMOs							
Amortized cost	Amortized cost	\$ —	\$ 10	\$ 45	\$ 1,442	\$ 1,497								
Carrying value		\$ —	\$ 8	\$ 40	\$ 1,204	\$ 1,252								
Fair value														

Weighted-average yield	Weighted-average yield	— %	2.27 %	1.54 %	1.57 %	1.58 %	Weighted-average yield	— %	2.39 %	1.52 %	1.58 %	1.58 %
Other agency obligations	Other agency obligations											
Amortized cost	Amortized cost	\$ 60	\$ 560	\$ 80	\$ 10	\$ 710						
Carrying value	Carrying value	\$ 59	\$ 539	\$ 74	\$ 10	\$ 682						
Amortized cost	Amortized cost											
Fair value	Fair value											
Weighted-average yield	Weighted-average yield	2.54 %	3.24 %	3.44 %	3.07 %	3.20 %	Weighted-average yield	2.08 %	3.26 %	3.43 %	3.07 %	3.15 %
Non-agency residential MBS	Non-agency residential MBS											
Amortized cost	Amortized cost	\$ —	\$ —	\$ —	\$ 509	\$ 509						
Carrying value	Carrying value	\$ —	\$ —	\$ —	\$ 465	\$ 465						
Amortized cost	Amortized cost											
Fair value	Fair value											
Weighted-average yield	Weighted-average yield	— %	— %	— %	4.10 %	4.10 %	Weighted-average yield	— %	— %	— %	4.33 %	4.33 %
U.S. Treasuries	U.S. Treasuries											
Amortized cost	Amortized cost	\$417	\$ 848	\$ —	\$ —	\$ 1,265						
Carrying value	Carrying value	\$408	\$ 830	\$ —	\$ —	\$ 1,238						
Amortized cost	Amortized cost											
Fair value	Fair value											
Weighted-average yield	Weighted-average yield	2.40 %	3.51 %	— %	— %	3.14 %	Weighted-average yield	2.67 %	4.64 %	— %	— %	3.25 %
Corporate bonds	Corporate bonds											
Amortized cost	Amortized cost	\$ 25	\$ 87	\$ 28	\$ —	\$ 140						
Carrying value	Carrying value	\$ 25	\$ 84	\$ 25	\$ —	\$ 134						
Amortized cost	Amortized cost											
Fair value	Fair value											
Weighted-average yield	Weighted-average yield	4.79 %	6.32 %	4.90 %	— %	5.76 %	Weighted-average yield	4.73 %	5.58 %	5.02 %	— %	5.30 %
Other	Other											
Amortized cost	Amortized cost	\$ —	\$ 5	\$ 5	\$ 8	\$ 18						
Carrying value	Carrying value	\$ —	\$ 5	\$ 5	\$ 8	\$ 18						
Amortized cost	Amortized cost											
Fair value	Fair value											
Weighted-average yield	Weighted-average yield	— %	7.05 %	5.23 %	8.05 %	7.06 %	Weighted-average yield	— %	7.39 %	5.22 %	8.32 %	7.26 %
Total available-for-sale securities	Total available-for-sale securities											
Amortized cost	Amortized cost	\$502	\$2,556	\$2,897	\$4,717	\$10,672						
Carrying value	Carrying value	\$492	\$2,412	\$2,561	\$4,101	\$ 9,566						
Amortized cost	Amortized cost											

Fair value							Weighted-average yield							Weighted-average yield						
Weighted-average yield		Weighted-average yield					Weighted-average yield		Weighted-average yield					Weighted-average yield		Weighted-average yield				
Weighted-average yield	Weighted-average yield	2.54 %	2.81 %	1.38 %	2.05 %	2.07 %	Weighted-average yield	2.70 %	2.79 %	1.39 %	2.14 %	2.13 %	Weighted-average yield	2.70 %	2.79 %	1.39 %	2.14 %	2.13 %	Weighted-average yield	

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The following table details the gross unrealized losses and fair values of securities that were in a loss position at the reporting period end, aggregated by investment category and length of time the individual securities have been in a continuous unrealized loss position.

\$ in millions	\$ in millions	Less than 12 months						12 months or more						Total							
		Estimated fair value		Unrealized losses		Estimated fair value		Unrealized losses		Estimated fair value		Unrealized losses		Fair value		Unrealized losses		Fair value		Unrealized losses	
		Less than 12 months	12 months or more	Less than 12 months	12 months or more	Less than 12 months	12 months or more	Less than 12 months	12 months or more	Less than 12 months	12 months or more	Less than 12 months	12 months or more	Total	Unrealized losses	Total	Unrealized losses	Total	Unrealized losses		
<u>June 30, 2023</u>																					
<u>December</u>																					
<u>31, 2023</u>																					
Agency residential MBS	Agency residential MBS	\$ 190	\$ (8)	\$ 4,274	\$ (552)	\$ 4,464	\$ (560)														
Agency commercial MBS	Agency commercial MBS	136	(5)	1,136	(192)	1,272	(197)														
Agency CMOs	Agency CMOs	26	(1)	1,226	(244)	1,252	(245)														
Other agency obligations	Other agency obligations	208	(3)	474	(25)	682	(28)														
Non-agency residential MBS	Non-agency residential MBS	53	(2)	412	(42)	465	(44)														
U.S. Treasuries	U.S. Treasuries	325	(6)	763	(21)	1,088	(27)														
Corporate bonds	Corporate bonds	26	(1)	65	(5)	91	(6)														
Other Other	Other Other	5	—	13	—	18	—														
Total	Total	\$ 969	\$ (26)	\$ 8,363	\$ (1,081)	\$ 9,332	\$ (1,107)														
<u>September 30, 2022</u>																					
<u>September 30, 2023</u>																					
<u>September 30, 2023</u>																					
Agency residential MBS	Agency residential MBS	\$ 2,165	\$ (226)	\$ 2,829	\$ (442)	\$ 4,994	\$ (668)														
Agency commercial MBS	Agency commercial MBS	494	(41)	816	(167)	1,310	(208)														
Agency CMOs	Agency CMOs	337	(32)	1,067	(201)	1,404	(233)														
Other agency obligations	Other agency obligations	582	(31)	—	—	582	(31)														
Non-agency residential MBS	Non-agency residential MBS	451	(41)	—	—	451	(41)														
U.S. Treasuries	U.S. Treasuries	982	(28)	4	—	986	(28)														
Corporate bonds	Corporate bonds	128	(5)	—	—	128	(5)														
Other Other	Other Other	17	(1)	—	—	17	(1)														

Total	Total	\$ 5,156	\$ (405)	\$ 4,716	\$ (810)	\$ 9,872	\$ (1,215)
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At **June 30, 2023** **December 31, 2023**, of the **1,079** **1,066** available-for-sale securities in an unrealized loss position, **144** **36** were in a continuous unrealized loss position for less than 12 months and **935** **1,030** securities were in a continuous unrealized loss position for greater than 12 months.

At **June 30, 2023** **December 31, 2023**, debt securities we held in excess of ten percent of our equity included those issued by the Federal National Home Mortgage Association and Federal Home Loan Mortgage Corporation with amortized costs of **\$4.91 billion** **\$4.60 billion** and **\$2.95 billion**, **\$2.77 billion**, respectively, and fair values of **\$4.31 billion** **\$4.11 billion** and **\$2.57 billion**, **\$2.45 billion**, respectively.

During the three and nine months ended **June 30, 2023**, **December 31, 2023** and **2022**, there were no sales of available-for-sale securities. During the three and nine months ended **June 30, 2022**, sales of available-for-sale securities were insignificant.

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NOTE 5 – DERIVATIVE ASSETS AND DERIVATIVE LIABILITIES

Our derivative assets and derivative liabilities are recorded at fair value and are included in "Derivative assets" and "Derivative liabilities" on our Condensed Consolidated Statements of Financial Condition. Cash flows related to our derivatives are included within operating activities on the Condensed Consolidated Statements of Cash Flows. The significant accounting policies governing our derivatives, including our methodologies for determining fair value, are described in Note 2 of our **2022** **2023** Form 10-K.

Derivative balances included on our financial statements

The following table presents the gross fair values and notional amounts of derivatives by product type, the amounts of counterparty and cash collateral netting on our Condensed Consolidated Statements of Financial Condition, as well as collateral posted and received under credit support agreements that do not meet the criteria for netting under GAAP.

		June 30, 2023			September 30, 2022					December 31, 2023			September 30, 2023		
\$ in millions	\$ in millions	Derivative assets	Derivative liabilities	Notional amount	Derivative assets	Derivative liabilities	Notional amount	\$ in millions	Derivative assets	Derivative liabilities	Notional amount	\$ in millions	Derivative assets	Derivative liabilities	Notional amount
Derivatives not designated as hedging instruments	Derivatives not designated as hedging instruments														
Interest rate - other (1)		\$ 414	\$ 469	\$ 17,811	\$ 462	\$ 535	\$ 14,647								
Interest rate - matched book (2)		—	—	—	52	52	1,340								
Interest rate (1)															
Interest rate (1)															
Interest rate (1)															
Foreign exchange															
Foreign exchange	Foreign exchange	2	—	1,167	4	5	958								
Other	Other	—	4	661	—	3	531								
Subtotal	Subtotal	416	473	19,639	518	595	17,476								
Derivatives designated as hedging instruments	Derivatives designated as hedging instruments														
Interest rate - other (3)		9	—	1,250	12	—	1,050								
Interest rate															
Interest rate															
Interest rate															
Foreign exchange	Foreign exchange	3	—	1,188	6	—	1,092								
Subtotal	Subtotal	12	—	2,438	18	—	2,142								
Total gross fair value/notional amount	Total gross fair value/notional amount	428	473	\$ 22,077	536	595	\$ 19,618								

Offset on the Condensed Consolidated Statements of Financial Condition	Offset on the Condensed Consolidated Statements of Financial Condition				
Counterparty netting	Counterparty netting	(24)	(24)	(35)	(35)
Counterparty netting					
Counterparty netting					
Cash collateral netting					
Cash collateral netting					
Cash collateral netting	Cash collateral netting	(175)	(56)	(313)	(30)
Total amounts offset	Total amounts offset	(199)	(80)	(348)	(65)
Total amounts offset					
Total amounts offset					
Net amounts presented on the Condensed Consolidated Statements of Financial Condition					
Net amounts presented on the Condensed Consolidated Statements of Financial Condition					
Net amounts presented on the Condensed Consolidated Statements of Financial Condition	Net amounts presented on the Condensed Consolidated Statements of Financial Condition	\$ 229	\$ 393	\$ 188	\$ 530
Gross amounts not offset on the Condensed Consolidated Statements of Financial Condition	Gross amounts not offset on the Condensed Consolidated Statements of Financial Condition				
Financial instruments (2)		(108)	—	(60)	(52)
Gross amounts not offset on the Condensed Consolidated Statements of Financial Condition					
Gross amounts not offset on the Condensed Consolidated Statements of Financial Condition					
Financial instruments					
Financial instruments					
Financial instruments					
Total	Total	\$ 121	\$ 393	\$ 128	\$ 478
Total					
Total					

(1) Relates to interest rate derivatives entered into as part of our fixed income business operations, including included to-be-announced security contracts that are accounted for as derivatives, as well as our banking operations.

(2) Although the matched book derivative arrangements did not meet the definition of a master netting arrangement as specified by GAAP, the agreement with the third-party intermediary included terms that were similar to a master netting agreement. As a result, we presented the matched book amounts as of September 30, 2022 net in the preceding table. As of June 30, 2023, we had exited such matched book derivative agreements.

(3) During the nine months ended June 30, 2023, we entered into an interest rate swap to manage our risk of increases in interest rates associated with certain money market and savings accounts by converting the balances subject to variable interest rates to a fixed interest rate. Such interest rate swap has been designated and accounted for as a cash flow hedge. Refer to Note 13 of this Form 10-Q for information regarding these bank deposits.

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The following table details the gains/(losses) losses included in accumulated other comprehensive income/(loss) loss ("AOCI"), net of income taxes, on derivatives designated as hedging instruments. These gains/(losses) losses included any amounts reclassified from AOCI to net income during the period. See Note 17 for additional information.

\$ in millions	\$ in millions	Three months ended June 30,		Nine months ended June 30,	
		2023	2022	2023	2022
\$ in millions					
\$ in millions					
Interest rate (cash flow hedges)					

Interest rate (cash flow hedges)							
Interest rate (cash flow hedges)	Interest rate (cash flow hedges)	\$ 12	\$ 10	\$ (1)	\$ 48		
Foreign exchange (net investment hedges)	Foreign exchange (net investment hedges)	(16)	24	(33)	14		
Total gains/(losses) included in AOCI, net of taxes		\$ (4)	\$ 34	\$ (34)	\$ 62		
Foreign exchange (net investment hedges)							
Foreign exchange (net investment hedges)							
Total losses included in AOCI, net of taxes							
Total losses included in AOCI, net of taxes							
Total losses included in AOCI, net of taxes							

There were no components of derivative gains or losses excluded from the assessment of hedge effectiveness for each of the three and nine months ended **June 30, 2023** **December 31, 2023** and 2022. We expect to reclassify **\$36 million** **\$27 million** of interest expense out of AOCI and into earnings within the next 12 months. The maximum length of time over which forecasted transactions are or will be hedged is four years.

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The following table details the gains/(losses) on derivatives not designated as hedging instruments recognized on the Condensed Consolidated Statements of Income and Comprehensive Income. These amounts do not include any offsetting gains/(losses) on the related hedged item.

\$ in millions	\$ in millions	Location of gain/(loss)	Three months ended June 30,		Nine months ended June 30,	
			2023	2022	2023	2022
\$ in millions						
		Location of gain/(loss)				
		Location of gain/(loss)				
Interest rate	Interest rate	Principal transactions/other revenues	\$ 6	\$ 4	\$ 17	\$ 14
Foreign exchange	Foreign exchange	Other revenues	\$ (20)	\$ 33	\$ (56)	\$ 30
Foreign exchange						
Foreign exchange						
Other	Other	Principal transactions	\$ 1	\$ 1	\$ —	\$ 2
Other						

Risks associated with our derivatives and related risk mitigation

Credit risk

We are exposed to credit losses primarily in the event of nonperformance by the counterparties to derivatives that are not cleared through a clearing organization. Where we are subject to credit exposure, we perform a credit evaluation of counterparties prior to entering into derivative transactions and we continue to monitor their credit standings on an ongoing basis. We may require initial margin or collateral from counterparties, generally in the form of cash or marketable securities to support certain of these obligations as established by the credit threshold specified by the agreement and/or as a result of monitoring the credit standing of the counterparties. We also enter into derivatives with clients, typically interest rate derivatives, to which Raymond James Bank and TriState Capital Bank either of our bank subsidiaries have provided loans. Such derivatives are generally collateralized by marketable securities or other assets of the client.

Interest rate and foreign exchange risk

We are exposed to interest rate risk related to certain of our interest rate derivatives. We are also exposed to foreign exchange risk related to our forward foreign exchange derivatives. On a daily basis, we monitor our risk exposure on our derivatives based on established sensitivity-based and foreign exchange spot limits.

Derivatives with credit-risk-related contingent features

Certain of our derivative contracts contain provisions that require our debt to maintain an investment-grade rating from one or more of the major credit rating agencies or contain provisions related to default on certain of our outstanding debt. If our debt were to fall below investment-grade or we were to default on certain of our outstanding debt, the counterparties to the derivative instruments could terminate the derivative and request immediate payment, or demand immediate and ongoing overnight collateralization on our derivative instruments in liability positions. The aggregate fair value of all derivative instruments with such credit-risk-related contingent features that were in a liability position was **\$3 million as of June 30, 2023** **\$8 million as of December 31, 2023** and **\$3 million as of September 30, 2022** **\$3 million as of September 30, 2023**.

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NOTE 6 – COLLATERALIZED AGREEMENTS AND FINANCINGS

Collateralized agreements are comprised of securities purchased under agreements to resell ("reverse repurchase agreements") and securities borrowed. Collateralized financings are comprised of securities sold under agreements to repurchase ("repurchase agreements") and securities loaned. We enter into these transactions in order to facilitate client activities, acquire securities to cover short positions and finance certain firm activities. The significant accounting policies governing our collateralized agreements and financings are described in Note 2 of our **2022** **2023** Form 10-K.

Our reverse repurchase agreements, repurchase agreements, securities borrowing, and securities lending transactions are governed by master agreements that are widely used by counterparties and that may allow for net settlements of payments in the normal course, as well as offsetting of all contracts with a given counterparty in the event of bankruptcy or default of one of the parties to the transaction. For financial statement purposes, we do not offset our reverse repurchase agreements, repurchase agreements, securities borrowed, and securities loaned because the conditions for netting as specified by GAAP are not met. Although not offset on the Condensed Consolidated Statements of Financial Condition, these transactions are included in the following table.

		Collateralized agreements			Collateralized financings									
		Collateralized agreements						Collateralized agreements			Collateralized agreements			
\$ in millions	\$ in millions	Reverse repurchase agreements	Securities borrowed	Total	Repurchase agreements	Securities loaned	Total	\$ in millions	Reverse repurchase agreements	Securities borrowed	Total	Repurchase agreements	Securities loaned	Total
<u>June 30, 2023</u>														
<u>December 31, 2023</u>														
Gross amounts of recognized assets/liabilities														
Gross amounts of recognized assets/liabilities														
Gross amounts of recognized assets/liabilities		\$ 181	\$ 229	\$ 410	\$ 110	\$ 71	\$ 181							
Gross amounts offset on the														
Condensed Consolidated Statements of Financial Condition														
Net amounts included in the Condensed Consolidated Statements of Financial Condition		—	—	—	—	—	—							
Net amounts included in the Condensed Consolidated Statements of Financial Condition		181	229	410	110	71	181							

Gross amounts	Gross amounts							
not offset on	not offset on							
the Condensed	the Condensed							
Consolidated	Consolidated							
Statements of	Statements of							
Financial	Financial							
Condition	Condition	(181)	(223)	(404)	(110)	(68)	(178)	
Net amounts	Net amounts	\$ —	\$ 6	\$ 6	\$ —	\$ 3	\$ 3	
<u>September 30, 2022</u>								
<u>September 30, 2023</u>								
<u>September 30, 2023</u>								
<u>September 30, 2023</u>								
Gross amounts of recognized assets/liabilities								
Gross amounts of recognized assets/liabilities								
Gross amounts of recognized assets/liabilities	Gross amounts of recognized assets/liabilities	\$ 367	\$ 337	\$ 704	\$ 294	\$ 172	\$ 466	
Gross amounts offset on the Condensed Consolidated Statements of Financial Condition	Gross amounts offset on the Condensed Consolidated Statements of Financial Condition	—	—	—	—	—	—	
Net amounts included in the Condensed Consolidated Statements of Financial Condition	Net amounts included in the Condensed Consolidated Statements of Financial Condition	367	337	704	294	172	466	
Gross amounts not offset on the Condensed Consolidated Statements of Financial Condition	Gross amounts not offset on the Condensed Consolidated Statements of Financial Condition	(367)	(327)	(694)	(294)	(162)	(456)	
Net amounts	Net amounts	\$ —	\$ 10	\$ 10	\$ —	\$ 10	\$ 10	

The total amount of collateral received under reverse repurchase agreements and the total amount of collateral posted under repurchase agreements exceeds the carrying value of these agreements on our Condensed Consolidated Statements of Financial Condition.

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Repurchase agreements and securities loaned accounted for as secured borrowings

The following table presents the remaining contractual maturity of repurchase agreements and securities lending transactions accounted for as secured borrowings.

<u>December 31,</u>	
<u>2023</u>	
Repurchase agreements:	Repurchase agreements:
Repurchase agreements:	Repurchase agreements:
Government and agency obligations	Government and agency obligations
Government and agency obligations	Government and agency obligations \$ 107 \$— \$— \$— \$— \$107
Agency MBS and agency CMOs	Agency MBS and agency CMOs 3 — — — — 3
Total repurchase agreements	Total repurchase agreements 110 — — — — 110
Securities loaned:	Securities loaned:
Equity securities	Equity securities 71 — — — — 71
Equity securities	Equity securities
Equity securities	Equity securities
Total collateralized financings	Total collateralized financings \$ 181 \$— \$— \$— \$— \$181
<u>September 30, 2022</u>	
<u>September 30, 2023</u>	
<u>September 30, 2023</u>	
Repurchase agreements:	Repurchase agreements:
Repurchase agreements:	Repurchase agreements:
Government and agency obligations	Government and agency obligations
Government and agency obligations	Government and agency obligations \$ 183 \$— \$— \$— \$— \$183
Agency MBS and agency CMOs	Agency MBS and agency CMOs 111 — — — — 111
Total repurchase agreements	Total repurchase agreements 294 — — — — 294
Securities loaned:	Securities loaned:
Equity securities	Equity securities 172 — — — — 172
Equity securities	Equity securities
Total collateralized financings	Total collateralized financings \$ 466 \$— \$— \$— \$— \$466

Collateral received and pledged

We receive cash and securities as collateral, primarily in connection with reverse repurchase agreements, securities borrowing agreements, derivative transactions, and client margin loans. The collateral we receive reduces our credit exposure to individual counterparties.

In many cases, we are permitted to deliver or repledge financial instruments we have received as collateral to satisfy our collateral requirements under our repurchase agreements, securities lending agreements or other secured borrowings, to satisfy deposit requirements with clearing organizations, or to otherwise meet either our or our clients' settlement requirements.

The following table presents financial instruments at fair value that we received as collateral, were not included on our Condensed Consolidated Statements of Financial Condition, and that were available to be delivered or repledged, along with the balances of such instruments that were delivered or repledged, to satisfy one of our purposes previously described.

\$ in millions	June		September 30, 2022 \$ in millions	December 31, 2023	September 30, 2023
	\$ in millions	30, 2023			
Collateral	Collateral				
we	we				
received	received				
that was	that was				
available	available				
to be	to be				
delivered	delivered				
or	or				
repledged	repledged	\$3,099	\$ 3,812		
Collateral	Collateral				
that we	that we				
delivered	delivered				
or	or				
repledged	repledged	\$ 776	\$ 947		

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Encumbered assets

We pledge certain of our assets, primarily trading assets, to collateralize repurchase agreements or other secured borrowings, maintain lines of credit, or to satisfy our collateral or settlement requirements with counterparties or clearing organizations who may or may not have the right to deliver or repledge such instruments. We pledge certain of our bank loans and available-for-sale securities with the FHLB as security for both the repayment of certain borrowings and to secure capacity for additional borrowings as needed. We also pledge certain loans and available-for-sale securities with the FRB to be eligible to participate in the Federal Reserve's discount window program and to participate in certain deposit programs. During the nine months ended June 30, 2023, Raymond James Bank increased its borrowing capacity with the FHLB through the pledge of additional available-for-sale securities. The FHLB does not have the ability to sell or repledge such securities until they are borrowed against. For additional information regarding our outstanding FHLB advances see Note 14, 13.

The following table presents information about our assets that have been pledged for one of the purposes previously described.

\$ in millions	June 30, 2023	September 30, 2022
Had the right to deliver or repledge	\$ 1,009	\$ 1,276
Did not have the right to deliver or repledge	\$ 4,051	\$ 63
Bank loans, net pledged with the:		
FHLB	\$ 9,267	\$ 8,009
FRB	720	791
Total bank loans, net pledged with the FHLB and FRB	\$ 9,987	\$ 8,800

\$ in millions	December 31, 2023	September 30, 2023
Had the right to deliver or repledge	\$ 1,046	\$ 1,091
Did not have the right to deliver or repledge	\$ 64	\$ 63
Assets pledged with the FHLB and FRB:		
Available-for-sale securities	\$ 3,947	\$ 3,897
Bank loans	10,396	10,166
Total assets pledged with the FHLB and FRB	\$ 14,343	\$ 14,063

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NOTE 7 – BANK LOANS, NET

Bank client receivables are comprised of loans originated or purchased by our Bank segment and include securities-based loans ("SBL"), corporate loans (commercial and industrial ("C&I") loans, commercial real estate ("CRE") loans, and real estate investment trust ("REIT") loans), residential mortgage loans, and tax-exempt loans. These receivables are collateralized by first and, to a lesser extent, second mortgages on residential or other real property, other assets of the borrower, a pledge of revenue, securities or are unsecured. We segregate our loan portfolio into six loan portfolio segments: SBL, C&I, CRE, REIT, residential mortgage, and tax-exempt. See Note 2 of our 2022 2023 Form 10-K for a discussion of accounting policies related to bank loans and the allowance for credit losses.

Loan balances in the following tables are presented at amortized cost (outstanding principal balance net of unamortized purchase discounts or premiums, unearned income, deferred origination fees and costs, and charge-offs), except for certain held for sale loans recorded at fair value. Bank loans are presented on our Condensed Consolidated Statements of Financial Condition at amortized cost (or fair value where applicable) less the allowance for credit losses ("ACL"). As it pertains to TriState Capital Bank's loans acquired as of June 1, 2022, the amortized cost of such purchased loans reflects the fair value of the loans on the acquisition date, and as described further in Note 3 of our 2022 2023 Form 10-K, the purchase discount on such loans is accreted to interest income over the weighted-average life of the underlying loans, which may vary based on prepayments.

The following table presents the balances for held for investment loans by portfolio segment and held for sale loans.

		June 30, 2023	September 30, 2022	\$ in millions	December 31, 2023	September 30, 2023	
SBL	SBL	\$14,227	\$15,297				
C&I loans	C&I loans	10,663	11,173				
CRE loans	CRE loans	7,091	6,549				
REIT loans	REIT loans	1,715	1,592				
Residential mortgage loans	Residential mortgage loans	8,422	7,386				
Tax-exempt loans	Tax-exempt loans	1,548	1,501				
Total loans	Total loans						
held for investment	held for investment	43,666	43,498				
Held for sale loans	Held for sale loans	135	137				
Total loans	Total loans						
held for sale and investment	held for sale and investment	43,801	43,635				
Allowance for credit losses	Allowance for credit losses	(456)	(396)				
Bank loans, net	Bank loans, net						
(u)	(u)	\$43,345	\$43,239				
ACL as a % of total loans held for investment	ACL as a % of total loans held for investment	1.04 %	0.91 %				
ACL as a % of total loans held for investment	ACL as a % of total loans held for investment			1.08	%	1.07	%

Accrued interest receivable on bank loans (included in "Other receivables, net")	Accrued interest receivable on bank loans (included in "Other receivables, net")
	\$ 197 \$ 137

(1) Bank loans, net as of **June 30, 2023** December 31, 2023 and **September 30, 2022** September 30, 2023 are presented net of **\$68** **\$37** million and **\$112** **\$52** million, respectively, of net unamortized discount, unearned income, and deferred loan fees and costs. The net unamortized discount primarily arose from the acquisition date fair value purchase discount on bank loans acquired in the TriState Capital Holdings, Inc. acquisition. See Note 3 of our **2022** **2023** Form 10-K for **further additional** information.

See Note 6 for **more additional** information regarding bank loans **net** pledged with the FHLB and FRB and Note **14** **13** for **more additional** information regarding borrowings from the FHLB.

Held for sale loans

We originated or purchased **\$699 million** **\$441 million** and **\$2.13 billion** **\$802 million** of loans held for sale during the three and nine months ended **June 30, 2023**, **December 31, 2023** and exclusive of the loans acquired on June 1, 2022 in our acquisition of TriState Capital, we originated or purchased **\$683 million** and **\$2.65 billion** of loans held for sale during the three and nine months ended **June 30, 2022**, 2022, respectively. The majority of these loans were purchases of the guaranteed portions of Small Business Administration ("SBA") loans that were initially classified as loans held for sale upon purchase and subsequently transferred to trading instruments once they had been securitized into pools. Proceeds from the sales of these loans held for sale and not securitized amounted to **\$221 million** **\$102 million** and **\$574 million** **\$198 million** during the three and nine months ended **June 30, 2023**, respectively, **December 31, 2023** and **\$345 million** and **\$1.02 billion** during the three and nine months ended **June 30, 2022**, 2022, respectively. Net gains resulting from such sales were insignificant for each of the three and nine months ended **June 30, 2023** **December 31, 2023** and 2022.

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Purchases and sales of loans held for investment

The following table presents purchases and sales of loans held for investment by portfolio segment.

	Residential				
	C&I \$ in millions	CRE \$ in millions	REIT \$ in millions	mortgage \$ in millions	Total
Three months ended					
June 30, 2023					
\$ in millions					
Three months ended					
December 31, 2023					
Purchases					
Purchases	\$ 3	\$ —	\$ —	\$ 94	\$ 97
Sales	\$ 441	\$ —	\$ —	—	\$ 441
Nine months ended					
June 30, 2023					
Three months ended					
December 31, 2022					
Purchases					

Purchases										
Purchases	Purchases	\$ 360	\$ 39	\$ 24	\$ 394	\$ 817				
Sales	Sales	\$ 588	\$ —	\$ —	\$ —	\$ 588				
<u>Three months ended</u>										
<u>June 30, 2022</u>										
Purchases		\$ 439	\$ —	\$ —	\$ 383	\$ 822				
Sales		\$ 33	\$ —	\$ —	\$ —	\$ 33				
<u>Nine months ended June</u>										
<u>30, 2022</u>										
Purchases		\$ 1,219	\$ —	\$ —	\$ 790	\$ 2,009				
Sales		\$ 145	\$ —	\$ —	\$ —	\$ 145				

Sales in the preceding table represent the recorded investment (i.e., net of charge-offs and discounts or premiums) of loans held for investment that were transferred to loans held for sale and subsequently sold to a third party during the respective period. As more fully described in Note 2 of our **2022** **2023** Form 10-K, corporate loan sales generally occur as part of our credit management activities.

Aging analysis of Past due, nonaccrual, and modified loans held for investment

The following table presents information on delinquency status of our loans held for investment.

\$ in millions	\$ in millions	30-89	90 days	Total	30-89 days	90 days or	Total past	Nonaccrual	Nonaccrual	Current	Total loans														
		days or more	past due	and																					
		accruing	accruing	accruing	and	accruing	with no	allowance	and	held for	investment	in millions		and	accruing	more and	accruing	due and	allowance	with no	allowance	and	accruing	held for	investment
<u>June 30, 2023</u>																									
<u>December</u>																									
<u>31, 2023</u>																									
SBL	SBL	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 14,227	\$ 14,227														
C&I loans	C&I loans	—	—	—	—	—	75	—	—	10,588	10,663														
CRE loans	CRE loans	—	—	—	—	—	29	14	7,048	7,091															
REIT loans	REIT loans	—	—	—	—	—	—	—	—	1,715	1,715														
Residential mortgage loans	Residential mortgage loans	2	—	2	—	—	9	8,411	8,422																
Tax-exempt loans	Tax-exempt loans	—	—	—	—	—	—	—	—	1,548	1,548														
Total loans held for investment	Total loans held for investment	\$ 2	\$ —	\$ 2	\$ —	\$ 104	\$ 23	\$ 43,537	\$ 43,666																
<u>September 30, 2022</u>																									
<u>September 30, 2023</u>																									
<u>September 30, 2023</u>																									
SBL	SBL	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 15,297	\$ 15,297														
C&I loans	C&I loans	—	—	—	—	—	32	—	—	11,141	11,173														
CRE loans	CRE loans	—	—	—	—	—	12	16	6,521	6,549															
REIT loans	REIT loans	—	—	—	—	—	—	—	—	1,592	1,592														
Residential mortgage loans	Residential mortgage loans	4	—	4	—	—	14	7,368	7,386																
Tax-exempt loans	Tax-exempt loans	—	—	—	—	—	—	—	—	1,501	1,501														
Total loans held for investment	Total loans held for investment	\$ 4	\$ —	\$ 4	\$ —	\$ 44	\$ 30	\$ 43,420	\$ 43,498																

The preceding table includes \$118 million \$87 million and \$63 million \$96 million at June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, respectively, of nonaccrual loans which were current pursuant to their contractual terms. The table also includes troubled debt restructurings.

In the normal course of \$30 million business, we may modify the original terms of a loan agreement. In certain circumstances, we may agree to modify the original terms of a loan agreement to a borrower experiencing financial difficulty, which may include a borrower in default, financial distress, bankruptcy or other circumstances. Loan modifications to borrowers experiencing financial difficulty typically involve principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay (i.e., \$7 million payment deferral greater than six months), or a term extension, or any combination thereof. Modified loans to borrowers experiencing financial difficulty are subject to our nonaccrual policies. Loans to borrowers experiencing financial difficulty which were modified during the three months ended December 31, 2023 were not significant.

Prior to September 30, 2023, loan modifications to borrowers experiencing financial difficulty, to the extent significant, were considered TDRs. On October 1, 2023, we adopted ASU 2022-02, which eliminated the recognition and measurement guidance for TDRs. See Note 2 for additional information about this guidance. As of September 30, 2023, TDRs were \$21 million, \$3 million, and \$10 million for C&I loans, CRE loans and residential first mortgage loans, respectively, at June 30, 2023, and \$11 million, \$9 million, and \$10 million for C&I loans, CRE loans and residential first mortgage loans, respectively, at September 30, 2022.

Other real estate owned, included in "Other assets" on our Condensed Consolidated Statements of Financial Condition, was insignificant at both June 30, 2023 and September 30, 2022, respectively.

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Other real estate owned, included in "Other assets" on our Condensed Consolidated Statements of Financial Condition, was insignificant at both December 31, 2023 and September 30, 2023.

Collateral-dependent loans

A loan is considered collateral-dependent when the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the sale of the underlying collateral. Collateral-dependent loans are recorded based upon the fair value of the collateral less the estimated selling costs. The following table presents the amortized cost of our collateral-dependent loans and the nature of the collateral.

Loan type (<i>\$ in millions</i>)	Loan type (<i>\$ in millions</i>)	June			Nature of collateral	December 31, 2023	September 30, 2023
		Nature of collateral	30, 2023	30, 2022			
		Commercial real estate and other business					
C&I loans	C&I loans	assets	\$ 9	\$ 11			
C&I loans							
C&I loans		Office, healthcare, industrial, and retail					
CRE loans	CRE loans	real estate	\$ 42	\$ 21			
Residential mortgage loans	Residential mortgage loans	Single family homes	\$ 4	\$ 6			
Residential mortgage loans							
Residential mortgage loans							

CRE collateral dependent loans as of December 31, 2023 included two loans that were placed on nonaccrual status with an associated allowance during the three months ended December 31, 2023. The recorded investments in residential mortgage loans secured by one-to-four family residential properties for which formal foreclosure proceedings were in process were \$4 \$3 million and \$5 million \$4 million as of June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, respectively.

Credit quality indicators

The credit quality of our bank loan portfolio is summarized monthly by management using internal risk ratings, which align with the standard asset classification system utilized by bank regulators. These classifications are divided into three groups: Not Classified (Pass), Special Mention, and Classified or Adverse Rating (Substandard, Doubtful and Loss). These terms are defined as follows:

Pass – Loans which are well protected by the current net worth and paying capacity of the obligor (or guarantors, if any) or by the fair value, less costs to acquire and sell, of any underlying collateral and generally are performing in accordance with the contractual terms.

Special Mention – Loans which have potential weaknesses that deserve management's close attention. These loans are not adversely classified and do not expose us to sufficient risk to warrant an adverse classification.

Substandard – Loans which are inadequately protected by the current sound worth and paying capacity of the obligor or by the collateral pledged, if any. Loans with this classification are characterized by the distinct possibility that we will sustain some loss if the deficiencies are not corrected.

Doubtful – Loans which have all the weaknesses inherent in loans classified as substandard with the added characteristic that the weaknesses make collection or liquidation in full highly questionable and improbable on the basis of currently-known facts, conditions and values.

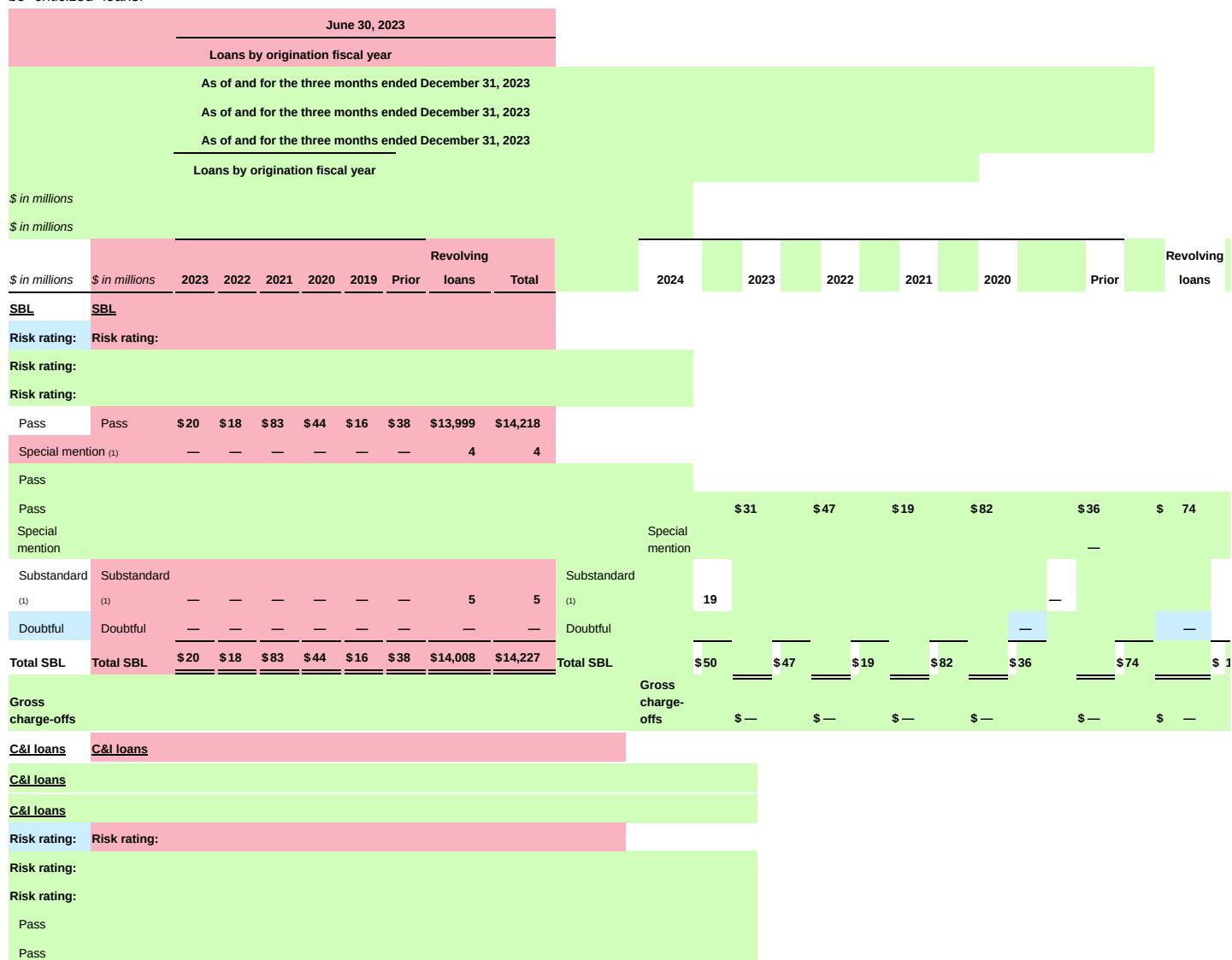
Loss – Loans which are considered by management to be uncollectible and of such little value that their continuance on our books as an asset, without establishment of a specific valuation allowance or charge-off, is not warranted. We do not have any loan balances within this classification because, in accordance with our accounting policy, loans, or a portion thereof considered to be uncollectible are charged-off prior to the assignment of this classification.

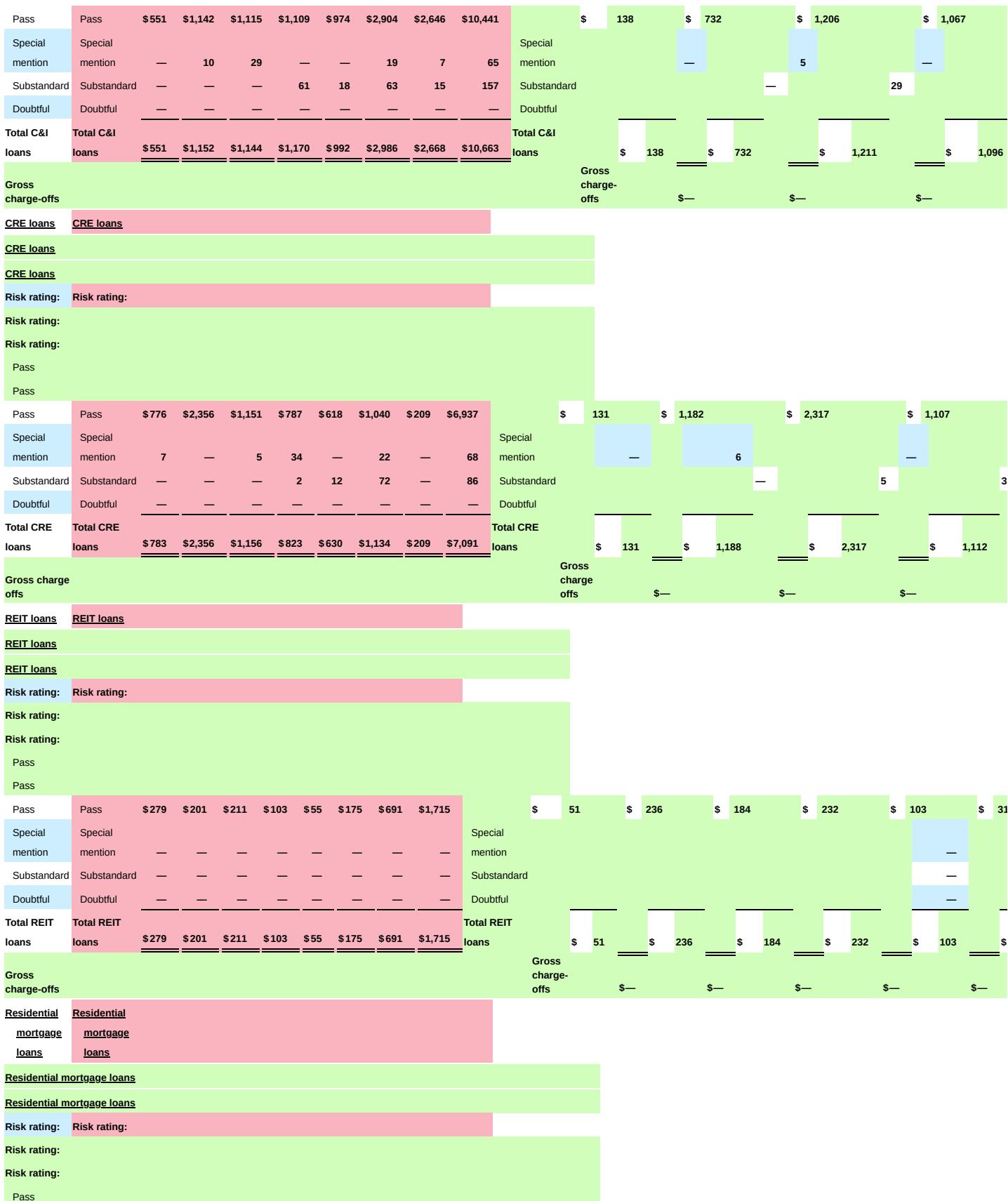
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The following tables present our held for investment bank loan portfolio by credit quality indicator. Loans classified as special mention, substandard or doubtful are all considered to be "criticized" loans.





(1) These As of December 31, 2023, these balances relate to loans which were collateralized by private securities or securities other financial instruments with a limited trading market as of June 30, 2023.

market.

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September 30, 2022														
\$ in millions	Loans by origination fiscal year													
	2022	2021	2020	2019	2018	Prior	Revolving loans	Total	2022	2021	2020	2019	2018	Prior
SBL														
Risk rating:														
Pass	\$ 14	\$ 27	\$ 72	\$ 44	\$ 36	\$ 41	\$ 15,063	\$ 15,297						
Special mention	—	—	—	—	—	—	—	—						
Substandard	—	—	—	—	—	—	—	—						
Doubtful	—	—	—	—	—	—	—	—						
Total SBL	\$ 14	\$ 27	\$ 72	\$ 44	\$ 36	\$ 41	\$ 15,063	\$ 15,297						
C&I loans														
Risk rating:														
Pass	\$ 1,011	\$ 1,448	\$ 1,301	\$ 1,124	\$ 1,389	\$ 2,200	\$ 2,380	\$ 10,853						

Special mention	10	28	3	37	—	82	6	166
Substandard	1	—	60	28	40	6	14	149
Doubtful	—	—	—	—	5	—	—	5
Total C&I loans	\$ 1,022	\$ 1,476	\$ 1,364	\$ 1,189	\$ 1,434	\$ 2,288	\$ 2,400	\$ 11,173

CRE loans

September 30, 2023

September 30, 2023

September 30, 2023

Loans by origination fiscal year

\$ in millions

\$ in millions

\$ in millions

2023 2022 2021 2020 2019 Prior

SBL

Risk rating: Risk rating:

Risk rating:

Risk rating:

Pass

Pass

Pass	Pass	\$1,916	\$1,345	\$892	\$707	\$816	\$551	\$176	\$6,403	\$ 74	\$ 18	\$ 83	\$ 40	\$ 15	\$ 59	\$14,293	\$14
Special mention	Special mention	—	1	—	—	36	2	—	39	—	—	—	—	—	—	—	—
Substandard (1)	Substandard (1)	—	—	14	17	46	30	—	107	—	—	24	24	—	—	—	—
Doubtful	Doubtful	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total CRE loans		\$1,916	\$1,346	\$906	\$724	\$898	\$583	\$176	\$6,549								

Total SBL

REIT loans

C&I loans

C&I loans

Risk rating: Risk rating:

Risk rating:

Risk rating:

Pass

Pass

Pass	Pass	\$169	\$230	\$96	\$53	\$40	\$222	\$782	\$1,592	\$ 672	\$ 1,148	\$ 1,091	\$ 965	\$ 1,020	\$ 2,675		
Special mention	Special mention	—	—	—	—	—	—	—	—	—	5	29	69	—	—	—	—
Substandard	Substandard	—	—	—	—	—	—	—	—	—	—	62	17	65	1	—	—
Doubtful	Doubtful	—	—	—	—	—	—	—	—	—	—	—	—	3	—	—	—
Total REIT loans		\$169	\$230	\$96	\$53	\$40	\$222	\$782	\$1,592								

Total C&I loans

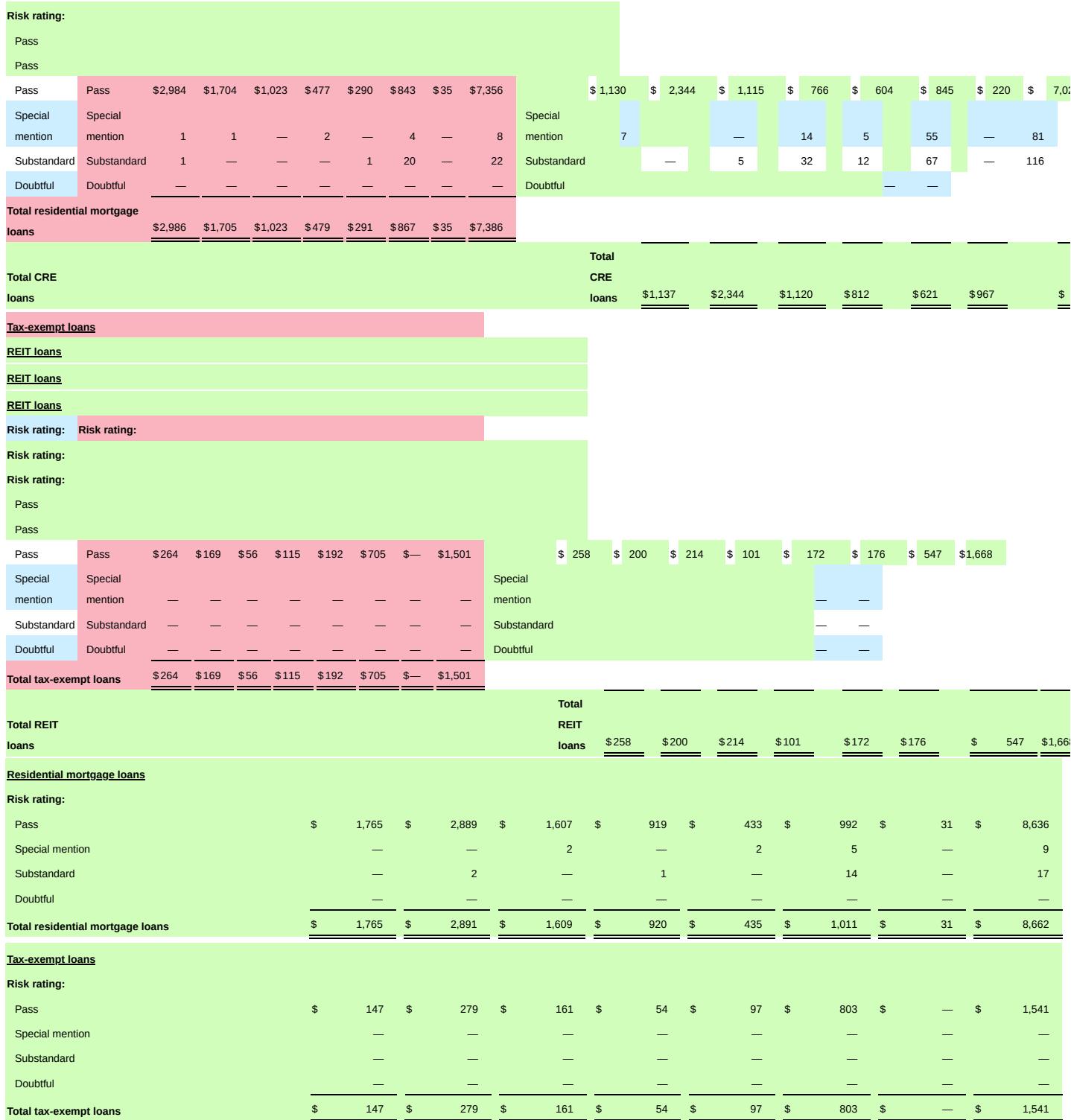
Residential mortgage loans

CRE loans

CRE loans

Risk rating: Risk rating:

Risk rating:



(1) As of September 30, 2023, these balances relate to loans which were collateralized by private securities or other financial instruments with a limited trading market.

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We also monitor the credit quality of the residential mortgage loan portfolio utilizing FICO scores and loan-to-value ("LTV") ratios. A FICO score measures a borrower's creditworthiness by considering factors such as payment and credit history. LTV measures the carrying value of the loan as a percentage of the value of the property securing the loan. The following table presents the held for investment residential mortgage loan portfolio by FICO score and by LTV ratio at origination, origination and by FICO score.

June 30, 2023												
Loans by origination fiscal year												
December 31, 2023												
December 31, 2023												
Loans by origination fiscal year												
Loans by origination fiscal year												
Loans by origination fiscal year												
\$ in millions	\$ in millions	2023	2022	2021	2020	2019	Prior	Revolving loans	Total			
FICO score:	FICO score:											
FICO score:												
Below 600												
Below 600	Below 600	\$ 7	\$ 1	\$ 3	\$ 2	\$ 3	\$ 55	\$ —	\$ 71			
600 - 699	600 - 699	79	155	106	85	30	80	3	538			
600 - 699												
600 - 699												
700 - 799												
700 - 799	700 - 799	1,110	2,353	1,239	681	327	624	23	6,357			
800 +	800 +	209	412	280	170	83	277	6	1,437			
800 +												
800 +												
FICO score not available	FICO score not available	2	2	4	1	5	4	1	19			
FICO score not available												
FICO score not available												
Total	Total	\$ 1,407	\$ 2,923	\$ 1,632	\$ 939	\$ 448	\$ 1,040	\$ 33	\$ 8,422			
LTV ratio:	LTV ratio:											
LTV ratio:												
LTV ratio:												
Below 80%												
Below 80%												
Below 80%	Below 80%	\$ 974	\$ 2,243	\$ 1,276	\$ 732	\$ 334	\$ 801	\$ 31	\$ 6,391			
80%+	80%+	433	680	356	207	114	239	2	2,031			
80%+												
80%+												
Total	Total	\$ 1,407	\$ 2,923	\$ 1,632	\$ 939	\$ 448	\$ 1,040	\$ 33	\$ 8,422			
Total												
Total												
September 30, 2022												
Loans by origination fiscal year												

September 30, 2023												
September 30, 2023												
September 30, 2023												
Loans by origination fiscal year												
\$ in millions												
\$ in millions	\$ in millions	2022	2021	2020	2019	2018	Prior	Revolving loans	Total	2022	2021	2020
FICO score:	FICO score:											
Below 600	Below 600											
600 - 699	600 - 699	\$ 1	\$ 3	\$ 2	\$ 3	\$ 1	\$ 54	\$ —	\$ 64	\$ 7	\$ 1	\$ 3
700 - 799	700 - 799	155	112	90	32	20	68	4	481	699	99	154
800 +	800 +	2,403	1,301	744	353	219	470	22	5,512	799	1,381	2,327
FICO score not available	FICO score not available	424	284	184	87	48	273	6	1,306	800 +	274	407
Total	Total	\$ 2,986	\$ 1,705	\$ 1,023	\$ 479	\$ 291	\$ 867	\$ 35	\$ 7,386	Total	\$ 1,765	\$ 2,891
LTV ratio: LTV ratio:	LTV ratio: LTV ratio:											
Below 80%	Below 80%											
80% - 80%+	80% - 80%+	\$ 2,287	\$ 1,333	\$ 797	\$ 358	\$ 226	\$ 661	\$ 31	\$ 5,693	80%+	\$ 1,244	\$ 2,218
Total	Total	\$ 2,986	\$ 1,705	\$ 1,023	\$ 479	\$ 291	\$ 867	\$ 35	\$ 7,386	Total	\$ 1,765	\$ 2,891

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Allowance for credit losses

The following table presents changes in the allowance for credit losses on held for investment bank loans by portfolio segment.

\$ in millions	\$ in millions	Residential						\$ in millions	C&I	CRE	REIT	Residential	Tax-exempt							
		SBL loans	CRE loans	REIT loans	mortgage loans	exempt loans	Total													
<u>Three months ended June 30, 2023</u>																				
<u>Three months ended December 31, 2023</u>																				
<u>31, 2023</u>																				
Balance at beginning of period																				
Balance at beginning of period																				
Balance at beginning of period	Balance at beginning of period	\$ 5	\$ 219	\$ 100	\$ 15	\$ 74	\$ 2	\$ 415												
Provision/(benefit) for credit losses	Provision/(benefit) for credit losses	—	(8)	55	1	6	—	54												
Provision/(benefit) for credit losses	Provision/(benefit) for credit losses																			
Provision/(benefit) for credit losses	Provision/(benefit) for credit losses																			

Net (charge-offs)/recoveries:	Net (charge-offs)/recoveries:
Net (charge-offs)/recoveries:	
Net (charge-offs)/recoveries:	
Charge-offs	
Charge-offs	
Charge-offs	Charge-offs — (6) (9) — — — — (15)
Recoveries	Recoveries — — — — — — —
Net (charge-offs)/recoveries	Net (charge-offs)/recoveries — (6) (9) — — — — (15)
Foreign exchange translation adjustment	Foreign exchange translation adjustment — 1 1 — — — — 2
Balance at end of period	Balance at end of period \$ 5 \$ 206 \$ 147 \$ 16 \$ 80 \$ 2 \$ 456
ACL by loan portfolio segment as a % of total ACL	ACL by loan portfolio segment as a % of total ACL 1.1 % 45.3 % 32.2 % 3.5 % 17.5 % 0.4 % 100.0 %
Nine months ended June 30, 2023	
<u>Three months ended December 31, 2022</u>	
Three months ended December 31, 2022	
Three months ended December 31, 2022	
Balance at beginning of period	Balance at beginning of period \$ 3 \$ 226 \$ 87 \$ 21 \$ 57 \$ 2 \$ 396
Balance at beginning of period	
Balance at beginning of period	
Provision/(benefit) for credit losses	
Provision/(benefit) for credit losses	
Provision/(benefit) for credit losses	Provision/(benefit) for credit losses 2 10 66 (5) 23 — 96
Net (charge-offs)/recoveries:	Net (charge-offs)/recoveries:
Net (charge-offs)/recoveries:	
Charge-offs	
Charge-offs	
Charge-offs	Charge-offs — (30) (10) — — — — (40)
Recoveries	Recoveries — — 3 — — — — 3
Net (charge-offs)/recoveries	Net (charge-offs)/recoveries — (30) (7) — — — — (37)
Foreign exchange translation adjustment	Foreign exchange translation adjustment — — 1 — — — — 1
Balance at end of period	Balance at end of period \$ 5 \$ 206 \$ 147 \$ 16 \$ 80 \$ 2 \$ 456
ACL by loan portfolio segment as a % of total ACL	ACL by loan portfolio segment as a % of total ACL 1.1 % 45.3 % 32.2 % 3.5 % 17.5 % 0.4 % 100.0 %
Three months ended June 30, 2022	
Balance at beginning of period	\$ 3 \$ 195 \$ 71 \$ 25 \$ 32 \$ 2 \$ 328
Initial allowance on acquired purchased credit deteriorated ("PCD") loans	— 1 2 — — — — 3
Provision/(benefit) for credit losses:	
Initial provision for credit losses on non-PCD loans acquired with TriState Capital Bank	2 5 19 — — — — 26
Provision/(benefit) for credit losses	(1) 17 — (2) 16 — 30
Total provision/(benefit) for credit losses	1 22 19 (2) 16 — 56
Net (charge-offs)/recoveries:	
Charge-offs	— (11) (4) — — — — (15)

Recoveries	—	—	5	—	—	—	—	5
Net (charge-offs)/recoveries	—	(11)	1	—	—	—	—	(10)
Foreign exchange translation adjustment	—	—	—	—	—	—	—	—
Balance at end of period	\$ 4	\$ 207	\$ 93	\$ 23	\$ 48	\$ 2	\$ 377	
ACL by loan portfolio segment as a % of total ACL	1.1 %	54.9 %	24.7 %	6.1 %	12.7 %	0.5 %	100.0 %	
<u>Nine months ended June 30, 2022</u>								
Balance at beginning of period	\$ 4	\$ 191	\$ 66	\$ 22	\$ 35	\$ 2	\$ 320	
Initial allowance on acquired PCD loans	—	1	2	—	—	—	3	
Provision/(benefit) for credit losses:								
Initial provision for credit losses on non-PCD loans acquired with TriState Capital Bank	2	5	19	—	—	—	26	
Provision/(benefit) for credit losses	(2)	24	5	1	12	—	40	
Total provision/(benefit) for credit losses	—	29	24	1	12	—	66	
Net (charge-offs)/recoveries:								
Charge-offs	—	(14)	(4)	—	—	—	(18)	
Recoveries	—	—	5	—	1	—	6	
Net (charge-offs)/recoveries	—	(14)	1	—	1	—	(12)	
Foreign exchange translation adjustment	—	—	—	—	—	—	—	
Balance at end of period	\$ 4	\$ 207	\$ 93	\$ 23	\$ 48	\$ 2	\$ 377	
ACL by loan portfolio segment as a % of total ACL	1.1 %	54.9 %	24.7 %	6.1 %	12.7 %	0.5 %	100.0 %	

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The allowance for credit losses on held for investment bank loans increased \$41 million and \$60 million \$5 million during the three and nine months ended June 30, 2023, respectively, December 31, 2023 primarily resulting from provisions for credit losses of \$54 million and \$96 million \$12 million, respectively, partially offset by net charge-offs of certain loans during the period. The provision for credit losses for the three months ended June 30, 2023 largely reflected the impacts of a weaker economic outlook for the CRE portfolio as reflected in Moody's CRE Price Index utilized in our Current Expected Credit Losses ("CECL") model and to a lesser extent loan downgrades. The provision for credit losses for the nine months ended June 30, 2023 December 31, 2023 primarily reflected the impacts of a weakened macroeconomic outlook for certain specific reserves in our C&I and CRE loan portfolios, including the aforementioned impact of a weaker economic outlook for the CRE portfolio as reflected in Moody's CRE Price Index utilized in our CECL model as well as loan downgrades, during the period. These increases were and charge-offs, partially offset by the favorable impact of loan repayments and sales, which had a larger impact on the current quarter expense than provisions on new loans during the period, loans.

The allowance for credit losses on unfunded lending commitments, which is included in "Other payables" on our Condensed Consolidated Statements of Financial Condition, was \$28 million, \$21 million, \$20 million and \$19 \$22 million at June 30, 2023, March 31, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, respectively. The increase in the allowance for credit losses on unfunded lending commitments for the three and nine months ended June 30, 2023 was primarily due to the aforementioned impact of a weaker economic outlook for the CRE portfolio as reflected in Moody's CRE Price Index utilized in our CECL model.

NOTE 8 – LOANS TO FINANCIAL ADVISORS, NET

Loans to financial advisors are primarily comprised of loans originated as a part of our recruiting activities. See Note 2 of our 2022 2023 Form 10-K for a discussion of our accounting policies related to loans to financial advisors and the related allowance for credit losses. The following table presents the balances for our loans to financial advisors and the related accrued interest receivable.

	June 30, September			December 31, 2023	September 30, 2023
\$ in millions	\$ in millions	2023	30, 2022	\$ in millions	
Affiliated with the firm as of period-end	Affiliated with the firm as of period-end				
(1)	(1)	\$1,142	\$ 1,173		

No longer affiliated with the firm as of period-end	No longer affiliated with the firm as of period-end		
(2)	(2)	11	8
Total loans to financial advisors	Total loans to financial advisors	1,153	1,181
Allowance for credit losses	Allowance for credit losses	(31)	(29)
Loans to financial advisors, net	Loans to financial advisors, net	\$1,122	\$ 1,152
Accrued interest receivable on loans to financial advisors (included in "Other receivables, net")	Accrued interest receivable on loans to financial advisors (included in "Other receivables, net")	\$ 5	\$ 5
Allowance for credit losses as a percent of total loans to financial advisors	Allowance for credit losses as a percent of total loans to financial advisors	2.69 %	2.46 %
Allowance for credit losses as a percent of total loans to financial advisors			2.87 %
			2.74 %

(1) These loans were predominantly current.

(2) These loans were predominantly past due for a period of 180 days or more.

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NOTE 9 – VARIABLE INTEREST ENTITIES

A VIE requires consolidation by the entity's primary beneficiary. We evaluate all of the entities in which we are involved to determine if the entity is a VIE and if so, whether we hold a variable interest and are the primary beneficiary. Refer to Note 2 of our [2022](#)[2023](#) Form 10-K for a discussion of our principal involvement with VIEs and the accounting policies regarding determination of whether we are deemed to be the primary beneficiary of VIEs.

VIEs where we are the primary beneficiary

Of the VIEs in which we hold an interest, we have determined that certain investments in low-income housing tax credit ("LIHTC") funds and the trust we utilize in connection with restricted stock unit ("RSU") awards granted to certain employees of one of our Canadian subsidiaries (the "Restricted Stock Trust Fund") require consolidation in our financial statements, as we are deemed the primary beneficiary of such VIEs. The aggregate assets and liabilities of the VIEs we consolidate are provided in the following table. Aggregate assets and aggregate liabilities may differ from the consolidated carrying value of assets and liabilities due to the elimination of intercompany assets and liabilities held by the consolidated VIE.

	Aggregate assets	Aggregate liabilities
\$ in millions	\$ in millions	\$ in millions
June 30, 2023		
December		
31, 2023	December 31, 2023	
LIHTC funds		
LIHTC funds		
LIHTC funds	LIHTC funds \$ 53	\$ 6

Restricted Stock Fund	Restricted Stock Fund	27	27
Total	Total	\$ 80	\$ 33
<u>September 30, 2022</u>			
<u>September 30, 2023</u>			
<u>September 30, 2023</u>			
<u>September 30, 2023</u>			
LIHTC funds	LIHTC funds		
LIHTC funds	LIHTC funds	\$ 59	\$ 6
Restricted Stock Fund	Restricted Stock Fund	17	17
Total	Total	\$ 76	\$ 23

The following table presents information about the carrying value of the assets and liabilities of the VIEs which we consolidate and which are included on our Condensed Consolidated Statements of Financial Condition. Intercompany balances are eliminated in consolidation and are not reflected in the following table.

		June 30, September 2023	30, September 2022	\$ in millions	December 31, 2023	September 30, 2023
Assets:	Assets:					
Cash and cash equivalents and assets segregated for regulatory purposes and restricted cash	Cash and cash equivalents and assets segregated for regulatory purposes and restricted cash	\$ 5	\$ 5			
Other assets	Other assets	48	54			
Other assets	Other assets					
Total assets	Total assets	\$ 53	\$ 59			
Liabilities:	Liabilities:					
Other payables	Other payables	\$ —	\$ —			
Total liabilities	Total liabilities	\$ —	\$ —			
Noncontrolling interests	Noncontrolling interests	\$ (27)	\$ (26)			

VIEs where we hold a variable interest but are not the primary beneficiary

As discussed in Note 2 of our **2022 2023** Form 10-K, we have concluded that for certain VIEs we are not the primary beneficiary and therefore do not consolidate these VIEs. Such VIEs **primarily** include certain LIHTC funds, our interests in certain limited partnerships which are part of our private equity portfolio ("Private Equity Interests"), and other limited partnerships. Our risk of loss for these VIEs is limited to our investments in, advances to, and/or receivables due from these VIEs.

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Aggregate assets, liabilities, and risk of loss

The aggregate assets, liabilities, and our exposure to loss from those VIEs in which we hold a variable interest, but as to which we have concluded we are not the primary beneficiary, are provided in the following table.

June 30, 2023	September 30, 2022	December 31, 2023	September 30, 2023
---------------	--------------------	-------------------	--------------------

\$ in millions	\$ in millions	Aggregate assets	Aggregate liabilities	Our risk of loss	\$ in millions	Aggregate assets	Aggregate liabilities	Our risk of loss
LIHTC funds	LIHTC funds	\$ 8,187	\$ 2,846	\$ 79	\$ 7,752	\$ 2,584	\$136	
Private Equity Interests	Private Equity Interests	2,416	640	100	2,177	448	90	
Other	Other	114	75	3	159	101	8	
Total	Total	\$ 10,717	\$ 3,561	\$182	\$ 10,088	\$ 3,133	\$234	

NOTE 10 - GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS, NET

Our goodwill and identifiable intangible assets result from various acquisitions. See Notes 2 and 11 of our 2022 Form 10-K for additional information about our goodwill and intangible assets, including the related accounting policies.

We perform goodwill and indefinite-lived intangible asset impairment testing on an annual basis or when an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value or indicate that the asset is impaired. We performed our latest annual impairment testing for our goodwill and indefinite-lived intangible assets as of our January 1, 2023 evaluation date, evaluating balances as of December 31, 2022. In that testing, we performed a qualitative impairment assessment for each of our reporting units that had goodwill, as well as for our indefinite-lived intangible assets.

Our qualitative assessments considered macroeconomic indicators and industry and market considerations, such as trends in equity and fixed income markets, gross domestic product, labor markets, interest rates, and housing markets. We also considered regulatory changes, as well as company-specific factors such as market capitalization, reporting unit specific results, and changes in key personnel and strategy. Changes in these indicators, and our ability to respond to such changes, may trigger the need for impairment testing at a point other than our annual assessment date. Based upon the outcome of our qualitative assessments, no impairment was identified. No events have occurred since such assessments that would cause us to update this impairment testing.

NOTE 11 - OTHER ASSETS

The following table details the components of other assets as of the dates indicated. See Note 2 of our 2022 Form 10-K for a discussion of the accounting policies related to certain of these components.

		June 30, 2023	September 30, 2022	December 31, 2023	September 30, 2023
		\$ in millions	\$ in millions		
Investments in company-owned life insurance policies	Investments in company-owned life insurance policies	\$1,133	\$ 944		
Property and equipment, net	Property and equipment, net	542	503		
Lease right of use ("ROU") assets	Lease right of use ("ROU") assets	519	480		
Prepaid expenses	Prepaid expenses	223	173		
Investments in FHLB and FRB stock	Investments in FHLB and FRB stock				

Investments in FHLB and FRB stock	Investments in FHLB and FRB stock	85	88
Client-owned fractional shares	Client-owned fractional shares	100	78
All other	All other	167	186
Total other assets	Total other assets	\$2,769	\$ 2,452

See Note 13 of our 2022 2023 Form 10-K for further additional information regarding our property and equipment and Note 12 11 of this Form 10-Q and Note 14 of our 2022 2023 Form 10-K for further additional information regarding our leases.

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NOTE 12 11 – LEASES

The following table presents the balances related to our leases on our Condensed Consolidated Statements of Financial Condition. See Notes 2 and 14 of our 2022 2023 Form 10-K for additional information related to our leases, including a discussion of our accounting policies.

\$ in millions	June 30, 2023	September 30, 2022
ROU assets (included in Other assets)	\$ 519	\$ 480
Lease liabilities (included in Other payables)	\$ 521	\$ 482

\$ in millions	December 31, 2023	September 30, 2023
ROU assets (included in "Other assets")	\$ 552	\$ 560
Lease liabilities (included in "Other payables")	\$ 537	\$ 539

Lease liabilities as of June 30, 2023 December 31, 2023 excluded \$46 million \$42 million of minimum lease payments related to lease arrangements that were legally binding but had not yet commenced. These leases are estimated to commence between dates later in fiscal year 2023 2024 through fiscal year 2025 with lease terms ranging from four to 10 ten years.

Lease expense

The following table details the components of lease expense, which is included in "Occupancy and equipment" expense on our Condensed Consolidated Statements of Income and Comprehensive Income.

		Three months ended June 30,		Nine months ended June 30,	
		Three months ended December 31,			
\$ in millions	\$ in millions	2023	2022	2023	2022
Lease costs	Lease costs	\$ 35	\$ 30	\$ 98	\$ 87
Lease costs					
Variable lease costs	Variable lease costs	\$ 9	\$ 7	\$ 24	\$ 22
Variable lease costs					
Variable lease costs					

Variable lease costs in the preceding table include payments required under lease arrangements for common area maintenance charges and other variable costs that are not reflected in the measurement of ROU assets and lease liabilities.

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NOTE 13.12 – BANK DEPOSITS

Bank deposits include money market and savings accounts, interest-bearing demand deposits, which include Negotiable Order of Withdrawal accounts, certificates of deposit, and non-interest-bearing demand **deposits**, deposits held by either of our bank subsidiaries. The following table presents a summary of bank deposits, excluding **affiliated** **affiliate** deposits, as well as the weighted-average interest rates on such deposits. The calculation of the weighted-average rates was based on the actual deposit balances and rates at each respective period end.

		June 30, 2023		September 30, 2022					
		December 31, 2023				December 31, 2023		September 30, 2023	
		Weighted-average	Weighted-average			Weighted-average rate	Balance	Weighted-average rate	
\$ in millions	\$ in millions	Balance	rate	Balance	rate	\$ in millions	Balance	Weighted-average rate	
Money market and savings accounts	Money market and savings accounts	\$33,636	1.54 %	\$44,446	1.01 %	Money market and savings accounts	\$ 31,315	1.96 %	
Interest-bearing demand deposits	Interest-bearing demand deposits	16,661	4.86 %	5,286	2.77 %	Interest-bearing demand deposits	20,423	5.02 %	
Certificates of deposit	Certificates of deposit	2,739	4.23 %	999	1.85 %	Certificates of deposit	2,885	4.63 %	
Non-interest-bearing demand deposits	Non-interest-bearing demand deposits	732	—	626	—				
Total bank deposits	Total bank deposits	\$53,768	2.72 %	\$51,357	1.21 %	Total bank deposits	\$ 55,393	3.25 %	

Money market and savings accounts in the preceding table included \$27.92 billion \$23.91 billion and \$38.71 billion \$25.36 billion as of June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, respectively, of cash balances which were swept to our Bank segment from the client investment accounts maintained at Raymond James & Associates, Inc. ("RJ&A"). Such deposits are held in Federal Deposit Insurance Corporation ("FDIC")-insured bank accounts through the Raymond James Bank Deposit Program ("RJBDP"). Money market and savings accounts also included direct accounts held by TriState Capital Bank on behalf of third-party clients. Interest-bearing demand Total bank deposits in the preceding table included \$11.23 billion \$14.48 billion and \$13.59 billion of deposits as of June 30, 2023 December 31, 2023 and September 30, 2023, respectively, associated with our Enhanced Savings Program ("ESP"), in which Private Client Group PCG clients deposit cash in a high-yield Raymond James Bank account. Substantially all of the ESP balances are reflected in interest-bearing demand deposits in the preceding table.

The following table details the estimated amount of total bank deposits excluding affiliated deposits, (which excludes affiliate deposits) that are FDIC-insured, as well as the estimated amount that exceeded the FDIC insurance limit at each respective period.

		June 30, September						
					December 31, 2023		September 30, 2023	
		\$ in millions	2023	30, 2022	\$ in millions			
FDIC-insured bank deposits	FDIC-insured bank deposits	\$46,884		\$43,520				
Bank deposits exceeding FDIC insurance limit	Bank deposits exceeding FDIC insurance limit	6,884		7,837				

Bank deposits exceeding FDIC insurance limit (1) (2)							
Total bank deposits	Total bank deposits	\$53,768	\$51,357				
FDIC-insured bank deposits as a % of total bank deposits		87 %	85 %	FDIC-insured bank deposits as a % of total bank deposits		89	96
						89	96

(1) Bank deposits that exceeded the FDIC insurance limit were calculated in accordance with applicable regulatory reporting requirements.

(2) Excluded affiliate deposits exceeding the FDIC insurance limit of \$924 million and \$764 million as of December 31, 2023 and September 30, 2023, respectively.

The following table sets forth the amount of certificates of deposit that exceeded the FDIC insurance limit, categorized by the time remaining until maturity, as of December 31, 2023.

\$ in millions	December 31, 2023	
Three months or less	\$	74
Over three through six months		37
Over six through twelve months		28
Over twelve months		12
Total certificates of deposit that exceeded the FDIC insurance limit (1)	\$	151

(1) Total certificates of deposit that exceeded the FDIC insurance limit were calculated in accordance with applicable regulatory reporting requirements.

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The following table sets forth the estimated amount of certificates of deposit, excluding affiliated deposits, that exceeded the FDIC insurance limit by time remaining until maturity as of June 30, 2023.

\$ in millions	June 30, 2023	
Three months or less	\$	40
Over three through six months		25
Over six through twelve months		31
Over twelve months		12
Total estimated certificates of deposit that exceeded the FDIC insurance limit	\$	108

Interest expense on deposits, excluding interest expense related to affiliated deposits, is summarized in the following table.

\$ in millions	Three months ended June 30,			Nine months ended June 30,		
	2023	2022	2023	2022		
Money market and savings accounts	\$ 125	\$ 11	\$ 370	\$ 13		
Money market and savings accounts						

Money market and savings accounts						
Interest-bearing demand deposits						
Interest-bearing demand deposits						
Interest-bearing demand deposits	Interest-bearing demand deposits	157	6	266	8	
Certificates of deposit	Certificates of deposit	30	3	54	10	
Certificates of deposit						
Certificates of deposit						
Total interest expense on deposits	Total interest expense on deposits	\$ 312	\$ 20	\$ 690	\$ 31	
Total interest expense on deposits						
Total interest expense on deposits						

We use an interest rate swap to manage the risk of increases in interest rates associated with certain money market and savings accounts by converting the balances subject to variable interest rates to a fixed interest rate. Refer to See Note 52 of this our 2023 Form 10-Q 10-K for information regarding this interest rate swap, which has been designated and accounted for as a cash flow hedge.

NOTE 14.13 – OTHER BORROWINGS

The following table details the components of our other borrowings, which are primarily comprised of short-term and long-term FHLB advances and subordinated notes.

\$ in millions	June 30, 2023			September 30, 2022			
	Weighted average		Balance	Weighted average interest		Balance	
	interest rate	Maturity date		rate	Maturity date		
FHLB advances:							
	December 2023 - March						
Floating rate - term (1)	5.36 %	2025	\$ 850	3.32 %	December 2023	\$ 850	
Floating rate - overnight (1)	— %	Overnight	—	3.11 %	Overnight	140	
Fixed rate	5.59 %	September 2023	150	3.45 %	December 2022	200	
Total FHLB advances			1,000			1,190	
Subordinated notes - fixed-to-floating (including an unaccrued premium of \$2 and \$2, respectively)	5.75 %	May 2030	100	5.75 %	May 2030	100	
Other			—			1	
Total other borrowings			\$ 1,100			\$ 1,291	

(1) Interest rates on these advances reset daily.

\$ in millions	December 31, 2023			September 30, 2023		
	Weighted-average interest		Balance	Weighted-average interest		Balance
	rate	Maturity date		rate	Maturity date	
FHLB advances:						
Floating rate - term	5.71 %	March 2025 - June 2025	\$ 650	5.62 %	December 2023 - March 2025	\$ 850
Fixed rate	4.76 %	March 2024 - December 2028	350	5.70 %	December 2023	150
Total FHLB advances			1,000			1,000
Subordinated notes - fixed-to-floating (including an unaccrued premium of \$1 and \$2, respectively)	5.75 %	May 2030	99	5.75 %	May 2030	100
Total other borrowings			\$ 1,099			\$ 1,100

We use interest rate swaps to manage the risk of increases in interest rates associated with the majority our floating-rate FHLB advances by converting the balances subject to variable interest rates to a fixed interest rate. Refer to See Note 2 of our 2022 2023 Form 10-K and Note 5 of this Form 10-Q for information regarding these interest rate swaps, which have been designated and accounted for as cash flow hedges. Refer to See Note 6 for more additional information regarding bank loans net and available-for-sale securities pledged with the FHLB as security for our FHLB borrowings.

Subordinated notes

As of December 31, 2023, we had subordinated notes due May 2030 outstanding, with an aggregate principal amount of \$98 million. Our subordinated notes incur interest at a fixed rate of 5.75% until May 2025 and thereafter at a variable interest rate equal to 3-month CME Term SOFR Secured Overnight Financing Rate ("SOFR") plus a spread adjustment of

5.62% per annum. Refer We may redeem these subordinated notes beginning in August 2025 at a redemption price equal to Note 16 100% of our 2022 Form 10-K for additional information regarding these borrowings. the principal amount of the notes to be redeemed plus accrued and unpaid interest thereon to the redemption date.

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Credit Facility

In April 2023, we amended RJF and extended our RJ&A are parties to a revolving credit facility agreement (the "Credit Facility"), a committed unsecured line of credit under which either RJ&A or RJF have the ability to borrow. As a result of the extension, the The Credit Facility reflects has a term through April 2028 and provides for maximum borrowings of up to \$750 million, \$750 million. The interest rates on borrowings under the Credit Facility are variable and based on the Secured Overnight Financing Rate ("SOFR"), SOFR, as adjusted for RJF's credit rating. There were no borrowings outstanding on the Credit Facility as of June 30, 2023 December 31, 2023 or September 30, 2022 September 30, 2023. There is a facility fee associated with the Credit Facility, which also varies with RJF's credit rating, rating (the "Variable Rate Facility Fee"). Based upon RJF's credit rating as of June 30, 2023 December 31, 2023, the variable rate facility fee, Variable Rate Facility Fee, which is applied to the committed amount, was 0.125% per annum.

For further information on our other borrowing arrangements refer to Note 16 of our 2022 2023 Form 10-K.

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NOTE 15 14 – INCOME TAXES

The income tax provision for interim periods is comprised of tax on ordinary income provided at the most recent estimated annual effective tax rate, adjusted for the tax effect of discrete items. We estimate the annual effective tax rate quarterly based on the forecasted pre-tax results of our U.S. and non-U.S. operations. Items unrelated to current year ordinary income are recognized entirely in the period identified as a discrete item of tax. These discrete items generally relate to changes in tax laws, adjustments to the actual liability determined upon filing tax returns, excess tax benefits related to share-based compensation and adjustments to previously recorded reserves for uncertain tax positions. For discussion of income tax accounting policies and other income tax related information, see Notes 2 and 18 of our 2022 2023 Form 10-K.

Effective tax rate

Our effective income tax rate of 23.0% 21.0% for the nine three months ended June 30, 2023 December 31, 2023 was lower than the 25.4% 23.7% effective tax rate for our fiscal year 2022, 2023. The decrease in the effective income tax rate was primarily due to nontaxable valuation gains associated with our company-owned life insurance policies that were a larger tax benefit recognized during the current quarter related to share-based compensation that vested during the period, compared to that for the fiscal year 2022 which had 2023. Additionally, our effective income tax rate for the fiscal year 2023 reflected the adverse impact of nondeductible losses, fines and penalties that did not recur during the current quarter.

Uncertain tax positions

Although management cannot predict with any degree of certainty the timing of ultimate resolution of matters under review by various taxing jurisdictions, it is reasonably possible that our uncertain tax position liability balance may decrease within the next 12 months by up to \$10 million \$6 million due to expirations expiration of statutes of limitations of federal and the completion of state tax examinations, returns.

NOTE 16 15 – COMMITMENTS, CONTINGENCIES AND GUARANTEES

Commitments and contingencies

Underwriting commitments

In the normal course of business, we enter into commitments for debt and equity underwritings. As of June 30, 2023 December 31, 2023, we had one no such open underwriting commitment, which was subsequently settled in an open market transaction that had an insignificant impact on our results of operations, commitments.

Lending commitments and other credit-related financial instruments

We have outstanding, at any time, a significant number of commitments to extend credit and other credit-related off-balance-sheet financial instruments, such as standby letters of credit and loan purchases, which then extend over varying periods of time. These arrangements are subject to strict underwriting assessments and each client's credit worthiness is evaluated on a case-by-case basis. Fixed-rate commitments are subject to market risk resulting from fluctuations in interest rates and our exposure is limited to the replacement value of those commitments.

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The following table presents our commitments to extend credit and other credit-related off-balance sheet financial instruments outstanding at our Bank segment.

\$ in millions	June 30, September			\$ in millions	December 31, 2023	September 30, 2023
	2023	30, 2022				
SBL and other	SBL and other					
consumer	consumer					
lines of	lines of					
credit	credit	\$37,868	\$ 33,641			
Commercial	Commercial					
lines of credit	lines of credit	\$ 4,036	\$ 3,792			
Unfunded	Unfunded					
lending	lending					
commitments	commitments	\$ 1,087	\$ 1,255			
Standby letters	Standby letters					
of credit	of credit	\$ 132	\$ 94			

SBL and other consumer lines of credit primarily represent the unfunded amounts of bank loans to consumers that are primarily secured by marketable securities or other liquid collateral at advance rates consistent with industry standards. The proceeds from repayment or, if necessary, the liquidation of collateral, which is monitored daily, are expected to satisfy the amounts drawn against these existing lines of credit. These lines of credit are primarily uncommitted, as we reserve the right to not make any advances or may terminate these lines at any time.

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Because many of our lending commitments expire without being funded in whole or in part, the contractual amounts are not estimates of our actual future credit exposure or future liquidity requirements. The allowance for credit losses calculated under the CECL model provides for potential losses related to the unfunded lending commitments. See Note 2 of our [2022](#) [2023](#) Form 10-K and Note 7 of this Form 10-Q for further additional information on regarding this allowance for credit losses related to unfunded lending commitments.

RJ&A enters into margin lending arrangements which allow [customers](#) [clients](#) to borrow against the value of qualifying securities. Margin loans are collateralized by the securities held in the [customer's](#) [client's](#) account at RJ&A. Collateral levels and established credit terms are monitored daily and we require [customers](#) [clients](#) to deposit additional collateral or reduce balances as necessary.

We offer loans to prospective financial advisors for recruiting and retention purposes (see Note 2 of our [2022](#) [2023](#) Form 10-K and Note 8 of this Form 10-Q for further discussion of additional information regarding our loans to financial advisors). These offers are contingent upon certain events occurring, including the individuals joining us and meeting certain other conditions outlined in their offer. We had no such unfunded commitments for loans to financial advisors who have met such conditions as of December 31, 2023.

Investment commitments

We had unfunded commitments to various investments, primarily held by Raymond James Bank and TriState Capital Bank, of [\\$74 million](#) [\\$63 million](#) as of [June 30, 2023](#) [December 31, 2023](#).

Other commitments

Raymond James Affordable Housing Investments, Inc. ("RJAHI") sells investments in project partnerships to various LIHTC funds, which have third-party investors, and for which RJAHI serves as the managing member or general partner. RJAHI typically sells investments in project partnerships to LIHTC funds within 90 days of their acquisition. Until such investments are sold to LIHTC funds, RJAHI is responsible for funding investment commitments to such partnerships. As of [June 30, 2023](#) [December 31, 2023](#), RJAHI had committed approximately [\\$265 million](#) [\\$248 million](#) to project partnerships that had not yet been sold to LIHTC funds. Because we expect to sell these project partnerships to LIHTC funds and the equity funding events arise over future periods, the contractual commitments are not expected to materially impact our future liquidity requirements. RJAHI may also make short-term loans or advances to project partnerships and LIHTC funds.

For information regarding our lease commitments see Note [12](#) [11](#) of this Form 10-Q and for information on the maturities of our lease liabilities see Note 14 of our [2022](#) [2023](#) Form 10-K.

Guarantees

Our U.S. broker-dealer subsidiaries are required by federal law to be members of the Securities Investors Protection Corporation ("SIPC"). The SIPC fund provides protection up to \$500 thousand per client for securities and cash held in client accounts, including a limitation of \$250 thousand on claims for cash balances. We have purchased excess SIPC coverage through various syndicates of Lloyd's of London. For RJ&A, our clearing broker-dealer, the additional protection currently provided has an aggregate firm limit of \$750 million for cash and securities, including a sub-limit of \$1.9 million per client for cash above basic SIPC. Account protection applies when a SIPC member fails financially and is unable to meet its obligations to clients. This coverage does not protect against market fluctuations. RJF has provided an indemnity to Lloyd's of London against any and all losses they may incur associated with the excess SIPC policies.

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Legal and regulatory matters contingencies

In the normal course of our business, we have been named, from time to time, as a defendant in various legal actions, including arbitrations, class actions and other litigation, arising in connection with our activities as a diversified financial services institution.

RJF and certain of its subsidiaries are subject to regular reviews and inspections by regulatory authorities and self-regulatory organizations. Reviews can result in the imposition of sanctions for regulatory violations, ranging from non-monetary censures to fines and, in serious cases, temporary or permanent suspension from conducting business, or limitations on certain business activities. In addition, regulatory agencies and self-regulatory organizations institute investigations from time to time, among other things, into industry practices, which can also result in the imposition of such sanctions. For example, the firm **is continuing its cooperation** **has cooperated** with the SEC in connection with an investigation of the firm's investment advisory business' compliance with records preservation requirements relating to business communications sent over electronic messaging channels that have not been approved by the firm. The SEC is reportedly conducting similar investigations of record preservation practices at other

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financial institutions. As of December 31, 2023, we continue to maintain an accrual related to this SEC investigation in our condensed consolidated financial statements in accordance with our contingent liabilities accounting policy. Refer to Note 2 of our 2023 Form 10-K for a discussion of our criteria for recognizing liabilities for contingencies.

We may contest liability and/or the amount of damages, as appropriate, in each pending matter. The level of litigation and investigatory activity (both formal and informal) by government and self-regulatory agencies in the financial services industry continues to be significant. There can be no assurance that material losses will not be incurred from claims that have not yet been asserted or are not yet determined to be material.

For many legal and regulatory matters, we are unable to estimate a range of reasonably possible loss as we cannot predict if, how or when such proceedings or investigations will be resolved or what the eventual settlement, fine, penalty or other relief, if any, may be. A large number of factors may contribute to this inherent unpredictability: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis; the other party is seeking relief other than or in addition to compensatory damages (including, in the case of regulatory and governmental proceedings, potential fines and penalties); the matters present significant legal uncertainties; we have not engaged in settlement discussions; discovery is not complete; there are significant facts in dispute; and numerous parties are named as defendants (including where it is uncertain how liability might be shared among defendants). Subject to the foregoing, after consultation with counsel, we believe that the outcome of such litigation and regulatory proceedings will not have a material adverse effect on our consolidated financial condition. However, the outcome of such litigation and regulatory proceedings could be material to our operating results and cash flows for a particular future period, depending on, among other things, our revenues or income for such period.

There are certain matters for which we are unable to estimate the upper end of the range of reasonably possible loss. With respect to legal and regulatory matters for which management has been able to estimate a range of reasonably possible loss as of **June 30, 2023** **December 31, 2023**, we estimated the upper end of the range of reasonably possible aggregate loss to be approximately **\$100 million** **\$35 million** in excess of the aggregate accruals for such matters. Refer to Note 2 of our **2022** **2023** Form 10-K for a discussion of our criteria for recognizing liabilities for contingencies.

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NOTE 17 16 – SHAREHOLDERS' EQUITY

Preferred stock

The following table details the shares outstanding, carrying value, and aggregate liquidation preference of our preferred stock. For further details regarding our preferred stock see Note 20 of our **2022** **2023** Form 10-K.

\$ in millions, except share count	June 30, 2023	September 30, 2022
6.75% Fixed-to-Floating Rate Series A Non-Cumulative Perpetual Preferred Stock ("Series A Preferred Stock"):		
Shares outstanding	—	40,250
Carrying value	\$ —	\$ 41
Aggregate liquidation preference	\$ —	\$ 40
6.375% Fixed-to-Floating Rate Series B Non-Cumulative Perpetual Preferred Stock ("Series B Preferred Stock"):		
Shares outstanding	80,500	80,500
Carrying value	\$ 79	\$ 79
Aggregate liquidation preference	\$ 81	\$ 81

On April 3, 2023, we redeemed all 40,250 outstanding shares of our Series A Preferred Stock with a carrying value of \$41 million, which triggered the redemption of the related depositary shares ("Series A Depositary Shares"), each representing a 1/40th interest of a share of Series A Preferred Stock, for an aggregate redemption value of \$40 million.

\$ in millions	December 31, 2023	September 30, 2023
6.375% Fixed-to-Floating Rate Series B Non-Cumulative Perpetual Preferred Stock ("Series B Preferred Stock"):		

Shares outstanding		80,500	80,500
Carrying value		\$ 79	\$ 79
Aggregate liquidation preference		\$ 81	\$ 81

The following table details dividends declared and dividends paid on our 6.75% Fixed-to-Floating Rate Series A Non-Cumulative Perpetual Preferred Stock ("Series A Preferred Stock") and Series B preferred stock Preferred Stock for the three and nine months ended June 30, 2023.

\$ in millions, except per share amounts	Dividends declared		Dividends paid	
	Total dividends	Per preferred share amount	Total dividends	Per preferred share amount
Three months ended June 30, 2023				
Series A Preferred Stock (1)	\$ —	\$ —	1 \$ 16.88	\$ 16.88
Series B Preferred Stock	1 \$ 15.94		1 \$ 15.94	\$ 15.94
Total preferred stock dividends (1)	\$ 1		\$ 2	
Nine Months Ended June 30, 2023				
Series A Preferred Stock (1)	\$ 2 \$ 33.76	\$ 33.76	3 \$ 30.64	\$ 30.64
Series B Preferred Stock	3 \$ 47.82		3 \$ 47.82	\$ 47.82
Total preferred stock dividends (1)	\$ 5		\$ 6	
Three months ended June 30, 2022				
Series A Preferred Stock	\$ 1 \$ 16.88	\$ 16.88	— \$ —	\$ —
Series B Preferred Stock	1 \$ 15.94		— \$ —	\$ —
Total preferred stock dividends	\$ 2		\$ —	
Nine months ended June 30, 2022				
Series A Preferred Stock	\$ 1 \$ 16.88	\$ 16.88	— \$ —	\$ —
Series B Preferred Stock	1 \$ 15.94		— \$ —	\$ —
Total preferred stock dividends	\$ 2		\$ —	

(1) Preferred stock dividends on our Condensed Consolidated Statements of Income December 31, 2023 and Comprehensive Income for the three and nine months ended June 30, 2023 included dividends declared during the periods, as well as the \$1 million excess of the carrying value 2022. We redeemed all outstanding shares of our Series A Preferred Stock over the redemption value, which was reported as an offset to preferred dividends and increased net income available to common shareholders on April 3, 2023.

Dividends on Series B Preferred Stock are payable quarterly at a rate of 6.375% per annum from original issue date up to, but excluding, July 1, 2026, and thereafter at a floating rate equal to 3-month CME Term SOFR plus a spread adjustment of 4.35% per annum. Refer to Note 20 of our 2022 Form 10-K for additional information regarding our Series B Preferred Stock.

\$ in millions, except per share amounts	Dividends declared		Dividends paid	
	Total dividends	Per preferred share amount	Total dividends	Per preferred share amount
Three months ended December 31, 2023				
Series B Preferred Stock	\$ 1 \$ 15.94	\$ 15.94	1 \$ 15.94	\$ 15.94
Three months ended December 31, 2022				
Series A Preferred Stock	\$ 1 \$ 16.88	\$ 16.88	1 \$ 16.88	\$ 16.88
Series B Preferred Stock	1 \$ 15.94		1 \$ 15.94	\$ 15.94
Total	\$ 2		\$ 2	

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Common equity

Common stock issuance The following table presents the changes in our common shares outstanding for the three months ended December 31, 2023 and 2022.

Shares in millions	Three months ended December 31,	
	2023	2022
Balance beginning of period	208.8	215.1

Repurchases of common stock		(1.4)	(1.3)
Issuances due to vesting of RSUs and exercise of stock options, net of forfeitures		1.3	1.2
Balance end of period		208.7	215.0

We issue shares from time to time during the year to satisfy obligations under certain of our share-based compensation programs, some of which may be reissued out of treasury shares. See Note 2019 of this Form 10-Q and Note 23 of our 2022 2023 Form 10-K for additional information on these programs. We may also reissue treasury shares for such purposes.

Share repurchases

We repurchase shares of our common stock from time to time for a number of reasons, including to offset dilution, which could arise from share issuances resulting from share-based compensation programs or acquisitions. In December 2022, November 2023, our Board of Directors authorized common stock repurchases of up to \$1.5 billion, which replaced the previous authorization. Our share repurchases are effected primarily through regular open-market purchases, typically under a SEC Rule 10b-18 plan, the amounts and timing of which are determined primarily by our current and projected capital position, applicable law and regulatory constraints, general market conditions and the price and trading volumes of our common stock. During the three months ended June 30, 2023 December 31, 2023, under the Board of Directors' common stock repurchase authorization, we repurchased 3.31 1.41 million shares of our common stock for \$300 \$150 million at an average price of \$90.51 per share. During the nine months ended June 30, 2023, we repurchased 8.35 million shares of our common stock for \$788 million at an average price of \$94.30 \$106.51 per share. As of June 30, 2023 December 31, 2023, \$750 million \$1.39 billion remained available under the Board of Directors' common stock repurchase authorization. We incurred \$5 million of excise tax on share repurchases during the nine months ended June 30, 2023 which is included in "Treasury stock" on the Condensed Consolidated Statements of Changes in Shareholders' Equity.

Common stock dividends

Dividends per common share declared and paid are detailed in the following table for each respective period.

Dividends per common share - declared	Three months ended June 30,		Nine months ended June 30,					
	2023		2022					
	\$ 0.42	\$ 0.34	\$ 1.26	\$ 1.02				
Dividends per common share - declared								
Dividends per common share - declared								
Dividends per common share - paid	\$ 0.42	\$ 0.34	\$ 1.18	\$ 0.94				
Dividends per common share - paid								
Dividends per common share - paid								

Our dividend payout ratio is detailed in the following table for each respective period and is computed by dividing dividends declared per common share by earnings per diluted common share.

Dividend payout ratio	Three months ended June 30,		Nine months ended June 30,	
	2023	2022	2023	2022
24.6 %	24.6 %	21.2 %	20.4 %	
Dividend payout ratio				
Dividend payout ratio				
Three months ended December 31,				
2023				
19.4 %	19.4 %	18.3 %	18.3 %	

RJF expects We expect to continue paying cash dividends. However, dividends; however, the payment and rate of dividends on our common stock are subject to several factors including our operating results, financial and regulatory requirements or restrictions, and the availability of funds from our subsidiaries, including our broker-dealer and bank subsidiaries, which may also be subject to restrictions under regulatory capital rules. The availability of funds from subsidiaries may also be subject to restrictions contained in loan covenants of certain broker-dealer loan agreements and restrictions by bank regulators on dividends to the parent from Raymond James Bank and TriState Capital Bank, our bank subsidiaries. See Note 21 20 of this Form 10-Q for additional information on our regulatory capital requirements.

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Accumulated other comprehensive income/(loss)

All of the components of other comprehensive income/(loss) ("OCI"), net of tax, were attributable to RJF. The following table presents the net change in AOCI as well as the changes, and the related tax effects, of each component of AOCI.

		Subtotal: net investment														
\$ in millions		Net investment hedges		Currency translations		hedges and currency translations		Available-for-sale securities		Cash flow hedges		Net investment hedges		Currency translations		
		\$ in millions	hedges	Currency	translations	hedges	Currency	for-sale securities	Cash flow hedges	\$ in millions	hedges	Currency	translations	Subtotal: net investment hedges and currency translations	Available-for-sale securities	Cash flow hedges
Three months ended June 30, 2023																
Three months ended December 31, 2022																
31.2023																
AOCl as of beginning of period																
AOCl as of beginning of period		\$ 136	\$ (206)	\$ (70)	\$ (758)	\$ 30	\$ (798)									
OCI:		OCI:														
OCI before reclassifications and taxes																
OCI before reclassifications and taxes																
OCI before reclassifications and taxes		OCI before reclassifications and taxes														
		(22)	36	14	(102)	26	(62)									
Amounts reclassified from AOCl, before tax		Amounts reclassified from AOCl, before tax														
		—	—	—	—	—	(9)	(9)								
Pre-tax net OCI		Pre-tax net OCI														
		(22)	36	14	(102)	17	(71)									
Income tax effect		Income tax effect														
		6	—	6	26	(5)	27									
OCI for the period, net of tax		OCI for the period, net of tax														
		(16)	36	20	(76)	12	(44)									
AOCl as of end of period		AOCl as of end of period														
		\$ 120	\$ (170)	\$ (50)	\$ (834)	\$ 42	\$ (842)									
Nine months ended June 30, 2023																
Three months ended December 31, 2022																
Three months ended December 31, 2022																
31.2022																
AOCl as of beginning of period																
AOCl as of beginning of period																
AOCl as of beginning of period		AOCl as of beginning of period														
		\$ 153	\$ (276)	\$ (123)	\$ (902)	\$ 43	\$ (982)									
OCI:		OCI:														
OCI before reclassifications and taxes																
OCI before reclassifications and taxes																
OCI before reclassifications and taxes		OCI before reclassifications and taxes														
		(45)	107	62	109	21	192									
Amounts reclassified from AOCl, before tax		Amounts reclassified from AOCl, before tax														
		—	—	—	—	—	(22)	(22)								

Pre-tax net OCI	Pre-tax net OCI	(45)	107	62	109	(1)	170
Income tax effect	Income tax effect	12	(1)	11	(41)	—	(30)
OCI for the period, net of tax	OCI for the period, net of tax	(33)	106	73	68	(1)	140
AOCI as of end of period	AOCI as of end of period	\$ 120	\$ (170)	\$ (50)	\$ (834)	\$ 42	\$ (842)
Three months ended June 30, 2022							
AOCI as of beginning of period		\$ 71	\$ (91)	\$ (20)	\$ (380)	\$ 11	\$ (389)
OCI:							
OCI before reclassifications and taxes		32	(64)	(32)	(206)	12	(226)
Amounts reclassified from AOCI, before tax		—	—	—	—	2	2
Pre-tax net OCI		32	(64)	(32)	(206)	14	(224)
Income tax effect		(8)	—	(8)	49	(4)	37
OCI for the period, net of tax		24	(64)	(40)	(157)	10	(187)
AOCI as of end of period		\$ 95	\$ (155)	\$ (60)	\$ (537)	\$ 21	\$ (576)
Nine months ended June 30, 2022							
AOCI as of beginning of period		\$ 81	\$ (90)	\$ (9)	\$ (5)	\$ (27)	\$ (41)
OCI:							
OCI before reclassifications and taxes		18	(65)	(47)	(711)	55	(703)
Amounts reclassified from AOCI, before tax		—	—	—	—	10	10
Pre-tax net OCI		18	(65)	(47)	(711)	65	(693)
Income tax effect		(4)	—	(4)	179	(17)	158
OCI for the period, net of tax		14	(65)	(51)	(532)	48	(535)
AOCI as of end of period		\$ 95	\$ (155)	\$ (60)	\$ (537)	\$ 21	\$ (576)

Reclassifications from AOCI to net income, excluding taxes, for the three and nine months ended **June 30, 2023** December 31, 2023 and 2022 were recorded in "Interest expense" on the Condensed Consolidated Statements of Income and Comprehensive Income.

Our net investment hedges and cash flow hedges relate to derivatives associated with our Bank segment. For further information about our significant accounting policies related to derivatives, see Note 2 of our **2022** 2023 Form 10-K. In addition, see Note 5 of this Form 10-Q for additional information on these derivatives.

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NOTE 17 – REVENUES

The following tables present our sources of revenues by segment. For further information about our significant accounting policies related to revenue recognition see Note 2 of our 2023 Form 10-K. See Note 26 of our 2023 Form 10-K and Note 22 of this Form 10-Q for additional information on our segments.

\$ in millions	Three months ended December 31, 2023						Total	
	Private Client Group	Capital Markets	Asset Management	Bank	Other and intersegment eliminations			
Revenues:								
Asset management and related administrative fees	\$ 1,191	\$ —	\$ 224	\$ —	\$ (8)	\$ 1,407		
Brokerage revenues:								
Securities commissions:								
Mutual and other fund products	136	2	2	—	(3)	137		
Insurance and annuity products	125	—	—	—	—	125		
Equities, exchange-traded funds ("ETFs") and fixed income products	89	33	—	—	(1)	121		

Subtotal securities commissions	350	35	2	—	(4)	383
Principal transactions (1)	32	105	—	2	—	139
Total brokerage revenues	382	140	2	2	(4)	522
Account and service fees:						
Mutual fund and annuity service fees	106	—	1	—	(1)	106
RJBDP fees	375	1	—	—	(224)	152
Client account and other fees	65	2	5	—	(11)	61
Total account and service fees	546	3	6	—	(236)	319
Investment banking:						
Merger & acquisition and advisory	—	118	—	—	—	118
Equity underwriting	11	26	—	—	—	37
Debt underwriting	—	26	—	—	—	26
Total investment banking	11	170	—	—	—	181
Other:						
Affordable housing investments business revenues	—	23	—	—	—	23
All other (1)	4	1	—	13	(3)	15
Total other	4	24	—	13	(3)	38
Total non-interest revenues	2,134	337	232	15	(251)	2,467
Interest income (1)	118	23	3	872	37	1,053
Total revenues	2,252	360	235	887	(214)	3,520
Interest expense	(26)	(22)	—	(446)	(13)	(507)
Net revenues	\$ 2,226	\$ 338	\$ 235	\$ 441	\$ (227)	\$ 3,013

(1) These revenues are generally not in scope of the accounting guidance for revenue from contracts with customers.

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\$ in millions	Three months ended December 31, 2022					Other and intersegment eliminations	Total
	Private Client Group	Capital Markets	Asset Management	Bank			
Revenues:							
Asset management and related administrative fees	\$ 1,053	\$ 1	\$ 197	\$ —	\$ (9)	\$ 1,242	
Brokerage revenues:							
Securities commissions:							
Mutual and other fund products	128	1	1	—	—	—	130
Insurance and annuity products	104	—	—	—	—	—	104
Equities, ETFs and fixed income products	85	33	—	—	—	—	118
Subtotal securities commissions	317	34	1	—	—	—	352
Principal transactions (1)	28	100	—	4	—	—	132
Total brokerage revenues	345	134	1	4	—	—	484
Account and service fees:							
Mutual fund and annuity service fees	98	—	—	—	—	—	98
RJBDP fees	405	1	—	—	(269)	—	137
Client account and other fees	60	2	5	—	(13)	—	54
Total account and service fees	563	3	5	—	(282)	—	289
Investment banking:							
Merger & acquisition and advisory	—	102	—	—	—	—	102
Equity underwriting	9	15	—	—	(1)	—	23
Debt underwriting	—	16	—	—	—	—	16

Total investment banking	9	133	—	—	(1)	141
Other:						
Affordable housing investments business revenues	—	24	—	—	—	24
All other (1)	6	—	2	13	(1)	20
Total other	6	24	2	13	(1)	44
Total non-interest revenues	1,976	295	205	17	(293)	2,200
Interest income (1)	109	23	2	676	17	827
Total revenues	2,085	318	207	693	(276)	3,027
Interest expense	(22)	(23)	—	(185)	(11)	(241)
Net revenues	\$ 2,063	\$ 295	\$ 207	\$ 508	\$ (287)	\$ 2,786

(1) These revenues are generally not in scope of the accounting guidance for revenue from contracts with customers.

At December 31, 2023 and September 30, 2023, net receivables related to contracts with customers were \$481 million and \$519 million, respectively.

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NOTE 18 – REVENUES

The following tables present our sources of revenues by segment. For further information about our significant accounting policies related to revenue recognition see Note 2 of our 2022 Form 10-K. See Note 26 of our 2022 Form 10-K and Note 23 of this Form 10-Q for additional information on our segment results.

\$ in millions	Three months ended June 30, 2023						Total	
	Capital			Other and intersegment eliminations				
	Private Client Group	Markets	Asset Management	Bank				
Revenues:								
Asset management and related administrative fees	\$ 1,164	\$ 1	\$ 217	\$ —	\$ (9)	\$ 1,373		
Brokerage revenues:								
Securities commissions:								
Mutual and other fund products	135	1	2	—	(1)	137		
Insurance and annuity products	103	—	—	—	—	103		
Equities, exchange traded funds ("ETFs") and fixed income products	86	31	—	—	(1)	116		
Subtotal securities commissions	324	32	2	—	(2)	356		
Principal transactions (1)	25	78	—	3	(1)	105		
Total brokerage revenues	349	110	2	3	(3)	461		
Account and service fees:								
Mutual fund and annuity service fees	103	—	—	—	—	103		
RJBDP fees	384	1	—	—	(278)	107		
Client account and other fees	59	2	5	—	(12)	54		
Total account and service fees	546	3	5	—	(290)	264		
Investment banking:								
Merger & acquisition and advisory	—	88	—	—	—	88		
Equity underwriting	9	25	—	—	1	35		
Debt underwriting	—	28	—	—	—	28		
Total investment banking	9	141	—	—	1	151		
Other:								
Affordable housing investments business revenues	—	21	—	—	—	21		
All other (1)	25	—	—	14	(3)	36		
Total other	25	21	—	14	(3)	57		
Total non-interest revenues	2,093	276	224	17	(304)	2,306		

Interest income (1)	114	21	2	826	24	987
Total revenues	2,207	297	226	843	(280)	3,293
Interest expense	(25)	(21)	—	(329)	(11)	(386)
Net revenues	\$ 2,182	\$ 276	\$ 226	\$ 514	\$ (291)	\$ 2,907

(1) These revenues are generally not in scope of the accounting guidance for revenue from contracts with customers.

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\$ in millions	Three months ended June 30, 2022						Total
	Private Client Group	Capital Markets	Asset Management	Bank	Other and intersegment eliminations		
Revenues:							
Asset management and related administrative fees	\$ 1,214	\$ —	\$ 220	\$ —	\$ (7)	\$ 1,427	
Brokerage revenues:							
Securities commissions:							
Mutual and other fund products	149	1	2	—	(1)	151	
Insurance and annuity products	109	—	—	—	—	109	
Equities, ETFs and fixed income products	90	35	—	—	—	125	
Subtotal securities commissions	348	36	2	—	(1)	385	
Principal transactions (1)	25	103	—	—	—	128	
Total brokerage revenues	373	139	2	—	(1)	513	
Account and service fees:							
Mutual fund and annuity service fees	102	—	—	—	—	102	
RJBDP fees	135	1	—	—	(80)	56	
Client account and other fees	59	1	5	—	(12)	53	
Total account and service fees	296	2	5	—	(92)	211	
Investment banking:							
Merger & acquisition and advisory	—	147	—	—	—	147	
Equity underwriting	6	36	—	—	—	42	
Debt underwriting	—	34	—	—	—	34	
Total investment banking	6	217	—	—	—	223	
Other:							
Affordable housing investments business revenues	—	21	—	—	—	21	
All other (1)	11	1	—	6	(9)	9	
Total other	11	22	—	6	(9)	30	
Total non-interest revenues	1,900	380	227	6	(109)	2,404	
Interest income (1)	68	6	1	296	3	374	
Total revenues	1,968	386	228	302	(106)	2,778	
Interest expense	(10)	(3)	—	(26)	(21)	(60)	
Net revenues	\$ 1,958	\$ 383	\$ 228	\$ 276	\$ (127)	\$ 2,718	

(1) These revenues are generally not in scope of the accounting guidance for revenue from contracts with customers.

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Nine Months Ended June 30, 2023					

\$ in millions	Private Client Group	Capital Markets	Asset Management	Bank	Other and intersegment eliminations	Total
Revenues:						
Asset management and related administrative fees	\$ 3,319	\$ 2	\$ 620	\$ —	\$ (24)	\$ 3,917
Brokerage revenues:						
Securities commissions:						
Mutual and other fund products	398	4	4	—	(2)	404
Insurance and annuity products	320	—	—	—	—	320
Equities, ETFs and fixed income products	259	96	—	—	(2)	353
Subtotal securities commissions	977	100	4	—	(4)	1,077
Principal transactions ⁽¹⁾	81	274	—	11	(2)	364
Total brokerage revenues	1,058	374	4	11	(6)	1,441
Account and service fees:						
Mutual fund and annuity service fees	306	—	1	—	(1)	306
RJBDP fees	1,200	3	—	—	(859)	344
Client account and other fees	175	5	15	—	(34)	161
Total account and service fees	1,681	8	16	—	(894)	811
Investment banking:						
Merger & acquisition and advisory	—	277	—	—	—	277
Equity underwriting	27	69	—	—	—	96
Debt underwriting	—	73	—	—	—	73
Total investment banking	27	419	—	—	—	446
Other:						
Affordable housing investments business revenues	—	68	—	—	—	68
All other ⁽¹⁾	40	1	2	33	(11)	65
Total other	40	69	2	33	(11)	133
Total non-interest revenues	6,125	872	642	44	(935)	6,748
Interest income ⁽¹⁾	340	65	7	2,251	66	2,729
Total revenues	6,465	937	649	2,295	(869)	9,477
Interest expense	(76)	(64)	—	(733)	(38)	(911)
Net revenues	\$ 6,389	\$ 873	\$ 649	\$ 1,562	\$ (907)	\$ 8,566

(1) These revenues are generally not in scope of the accounting guidance for revenue from contracts with customers.

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\$ in millions	Private Client Group	Capital Markets	Asset Management	Bank	Other and intersegment eliminations	Total
Revenues:						
Asset management and related administrative fees	\$ 3,621	\$ 2	\$ 673	\$ —	\$ (23)	\$ 4,273
Brokerage revenues:						
Securities commissions:						
Mutual and other fund products	486	5	6	—	(2)	495
Insurance and annuity products	330	—	—	—	—	330
Equities, ETFs and fixed income products	299	108	—	—	—	407
Subtotal securities commissions	1,115	113	6	—	(2)	1,232
Principal transactions ⁽¹⁾	52	351	—	—	—	403

Total brokerage revenues	1,167	464	6	—	(2)	1,635
Account and service fees:						
Mutual fund and annuity service fees	325	—	—	—	(1)	324
RJBDP fees	271	1	—	—	(179)	93
Client account and other fees	161	5	17	—	(33)	150
Total account and service fees	757	6	17	—	(213)	567
Investment banking:						
Merger & acquisition and advisory	—	557	—	—	—	557
Equity underwriting	28	185	—	—	—	213
Debt underwriting	—	113	—	—	—	113
Total investment banking	28	855	—	—	—	883
Other:						
Affordable housing investments business revenues	—	71	—	—	—	71
All other (1)	24	4	1	20	(12)	37
Total other	24	75	1	20	(12)	108
Total non-interest revenues	5,597	1,402	697	20	(250)	7,466
Interest income (1)	138	16	1	682	4	841
Total revenues	5,735	1,418	698	702	(246)	8,307
Interest expense	(16)	(8)	—	(46)	(65)	(135)
Net revenues	\$ 5,719	\$ 1,410	\$ 698	\$ 656	\$ (311)	\$ 8,172

(1) These revenues are generally not in scope of the accounting guidance for revenue from contracts with customers.

At June 30, 2023 and September 30, 2022, net receivables related to contracts with customers were \$543 million and \$511 million, respectively.

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NOTE 19 – INTEREST INCOME AND INTEREST EXPENSE

The following table details the components of interest income and interest expense.

\$ in millions	\$ in millions	Three months ended June 30,		Nine months ended June 30,		
		2023	2022	2023	2022	
\$ in millions						
\$ in millions						
Interest income:						
Interest income:						
Interest income:	Interest income:					
Cash and cash equivalents	Cash and cash equivalents	\$ 109	\$ 10	\$ 239	\$ 16	
Cash and cash equivalents						
Cash and cash equivalents						
Assets segregated for regulatory purposes and restricted cash						
Assets segregated for regulatory purposes and restricted cash						
Assets segregated for regulatory purposes and restricted cash						
Assets segregated for regulatory purposes and restricted cash	Assets segregated for regulatory purposes and restricted cash	47	28	152	39	
Trading assets — debt securities	Trading assets — debt securities	13	4	40	13	
Trading assets — debt securities						
Trading assets — debt securities						

Available-for-sale securities						
Available-for-sale securities						
Brokerage client receivables	Brokerage client receivables	56	37	163	84	
Brokerage client receivables		42	24	124	66	
Bank loans, net						
Bank loans, net						
Bank loans, net	Bank loans, net	698	255	1,954	590	
All other	All other	22	16	57	33	
All other						
All other						
Total interest income						
Total interest income						
Total interest income	Total interest income	\$ 987	\$ 374	\$ 2,729	\$ 841	
Interest expense:	Interest expense:					
Interest expense:						
Interest expense:						
Bank deposits						
Bank deposits						
Bank deposits	Bank deposits	\$ 312	\$ 20	690	\$ 31	
Trading liabilities — debt securities	Trading liabilities — debt securities	9	1	26	3	
Trading liabilities — debt securities						
Trading liabilities — debt securities						
Brokerage client payables						
Brokerage client payables						
Brokerage client payables	Brokerage client payables	17	3	57	4	
Other borrowings	Other borrowings	12	6	30	15	
Other borrowings						
Other borrowings						
Senior notes payable						
Senior notes payable						
Senior notes payable	Senior notes payable	23	23	69	69	
All other	All other	13	7	39	13	
All other						
All other						
Total interest expense						
Total interest expense						
Total interest expense	Total interest expense	\$ 386	\$ 60	\$ 911	\$ 135	
Net interest income	Net interest income	\$ 601	\$ 314	\$ 1,818	\$ 706	
Net interest income						
Net interest income						
Bank loan provision for credit losses						
Bank loan provision for credit losses						
Bank loan provision for credit losses	Bank loan provision for credit losses	(54)	(56)	(96)	(66)	
Net interest income after bank loan provision for credit losses	Net interest income after bank loan provision for credit losses	\$ 547	\$ 258	\$ 1,722	\$ 640	
Net interest income after bank loan provision for credit losses						
Net interest income after bank loan provision for credit losses						

Interest expense related to bank deposits in the preceding table excludes interest expense associated with affiliate deposits, which has been eliminated in consolidation.

NOTE 20 19 – SHARE-BASED COMPENSATION

We have one share-based compensation plan, the **Raymond James Financial, Inc.** Amended and Restated 2012 Stock Incentive Plan ("the Plan"), for our employees, directors, Board of Directors, and independent contractor financial advisors. On February 23, 2023, our shareholders approved an amendment to the Plan to increase the number of shares available for grant by 18 million. Following this amendment, the Plan authorizes us to grant 96.4 million shares (including the shares available for grant under six predecessor plans). As of June 30, 2023, 20.9 million shares remained available for grant under the Plan. We may utilize treasury shares for grants under the Plan, though we are also permitted to issue new shares. Our share-based compensation awards are primarily issued during the first quarter of each fiscal year. Our share-based compensation accounting policies are described in Note 2 of our **2022 2023** Form 10-K. Other information related to our share-based awards is presented in Note 23 of our **2022 2023** Form 10-K.

Restricted stock units

During the three and nine months ended **June 30, 2023** December 31, 2023, we granted approximately 47 thousand and 2.1 million 1.7 million RSUs respectively, with a weighted-average grant-date fair value of \$90.86 and \$116.18, respectively, \$106.68, compared with approximately 222 thousand and 3.1 million 1.9 million RSUs granted during the three and nine months ended **June 30, 2022** December 31, 2022, respectively, with a weighted-average grant-date fair value of \$97.64 and \$98.77, respectively, \$117.66. For the three and nine months ended **June 30, 2023** December 31, 2023, total share-based compensation amortization related to RSUs was \$50 million and \$180 million \$87 million, respectively, compared with \$36 million and \$141 million \$76 million for the three and nine months ended **June 30, 2022**, respectively, December 31, 2022.

As of **June 30, 2023** December 31, 2023, there were \$385 million \$425 million of total pre-tax compensation costs not yet recognized (net of estimated forfeitures) related to RSUs, including those granted during the **nine** three months ended **June 30, 2023** December 31, 2023. These costs are expected to be recognized over a weighted-average period of **2.7** three years.

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Restricted stock awards

Restricted stock awards ("RSAs") were issued as a component of our total purchase consideration for TriState Capital on June 1, 2022, in accordance with the terms of the acquisition. See Note 23 of our **2022 2023** Form 10-K for further discussion of these awards. For the three and nine months ended **June 30, 2023** December 31, 2023 total share-based compensation amortization related to these RSAs was \$2 million and \$7 million, respectively, compared with \$3 million for the three months ended December 31, 2022. As of **June 30, 2023** December 31, 2023, there were \$14 million \$10 million of total pre-tax compensation costs not yet recognized for these RSAs. These costs are expected to be recognized over a weighted-average period of **2.3** two years.

NOTE 21 20 – REGULATORY CAPITAL REQUIREMENTS

RJF, as a bank holding company and financial holding company, as well as Raymond James Bank, TriState Capital Bank, our broker-dealer subsidiaries and our trust subsidiaries are subject to capital requirements by various regulatory authorities. Capital levels of each entity are monitored to ensure compliance with our various regulatory capital requirements. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on our financial results.

As a bank holding company under the Bank Holding Company Act of 1956, as amended (the "BHC Act") that has made an election to be a financial holding company, RJF is subject to supervision, examination, and regulation by the Board of Governors of the Federal Reserve System ("the Fed"). We are subject to the Fed's capital rules which establish an integrated regulatory capital framework and implement, in the U.S., the Basel III regulatory capital reforms from the Basel Committee on Banking Supervision and certain changes required by the Dodd-Frank Wall Street Reform and Consumer Protection Act. The FDIC's capital rules, which are substantially similar to the Fed's rules, applied to TriState Capital Bank as of **June 30, 2023** and **September 30, 2022**. We apply the standardized approach for calculating risk-weighted assets and are also subject to the market risk provisions of the Fed's capital rules ("market risk rule").

Under these rules, minimum requirements are established for both the quantity and quality of capital held by banking organizations. RJF, Raymond James Bank, and TriState Capital Bank are required to maintain minimum leverage ratios (defined as tier 1 capital divided by adjusted average assets), as well as minimum ratios of tier 1 capital, common equity tier 1 ("CET1"), and total capital to risk-weighted assets. These capital ratios incorporate quantitative measures of our assets, liabilities, and certain off-balance sheet items as calculated under the regulatory capital rules and are subject to qualitative judgments by the regulators about components, risk-weightings, and other factors. We calculate these ratios in order to assess compliance with both regulatory requirements and internal capital policies. In order to maintain our ability to take certain capital actions, including dividends and common equity repurchases, and to make bonus payments, we must hold a capital conservation buffer above our minimum risk-based capital requirements. As of **June 30, 2023** December 31, 2023, capital levels at RJF, Raymond James Bank, and TriState Capital Bank exceeded the capital conservation buffer requirement and each entity was categorized as "well-capitalized."

For further discussion of regulatory capital requirements applicable to certain of our businesses and subsidiaries, see Note 24 of our **2022 2023** Form 10-K.

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To meet requirements for capital adequacy or to be categorized as "well-capitalized," RJF must maintain minimum Tier 1 leverage, Tier 1 capital, CET1, and Total capital amounts and ratios as set forth in the following table.

\$ in millions	Actual		Requirement for capital adequacy purposes		To be well-capitalized under regulatory provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
RJF as of June 30, 2023:						
Tier 1 leverage	\$ 8,928	11.4 %	\$ 3,135	4.0 %	\$ 3,919	5.0 %
Tier 1 capital	\$ 8,928	20.6 %	\$ 2,607	6.0 %	\$ 3,476	8.0 %
CET1	\$ 8,852	20.4 %	\$ 1,955	4.5 %	\$ 2,824	6.5 %
Total capital	\$ 9,540	22.0 %	\$ 3,476	8.0 %	\$ 4,345	10.0 %
RJF as of September 30, 2022:						
Tier 1 leverage	\$ 8,480	10.3 %	\$ 3,304	4.0 %	\$ 4,130	5.0 %
Tier 1 capital	\$ 8,480	19.2 %	\$ 2,651	6.0 %	\$ 3,534	8.0 %
CET1	\$ 8,380	19.0 %	\$ 1,988	4.5 %	\$ 2,871	6.5 %
Total capital	\$ 9,031	20.4 %	\$ 3,534	8.0 %	\$ 4,418	10.0 %

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\$ in millions	Actual		Requirement for capital adequacy purposes		To be well-capitalized under regulatory provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
RJF as of December 31, 2023:						
Tier 1 leverage	\$ 9,646	12.1 %	\$ 3,185	4.0 %	\$ 3,981	5.0 %
Tier 1 capital	\$ 9,646	21.6 %	\$ 2,676	6.0 %	\$ 3,568	8.0 %
CET1	\$ 9,570	21.5 %	\$ 2,007	4.5 %	\$ 2,899	6.5 %
Total capital	\$ 10,271	23.0 %	\$ 3,568	8.0 %	\$ 4,461	10.0 %
RJF as of September 30, 2023:						
Tier 1 leverage	\$ 9,321	11.9 %	\$ 3,123	4.0 %	\$ 3,904	5.0 %
Tier 1 capital	\$ 9,321	21.4 %	\$ 2,613	6.0 %	\$ 3,484	8.0 %
CET1	\$ 9,245	21.2 %	\$ 1,960	4.5 %	\$ 2,831	6.5 %
Total capital	\$ 9,934	22.8 %	\$ 3,484	8.0 %	\$ 4,355	10.0 %

As of **June 30, 2023** **December 31, 2023**, RJF's regulatory capital increase compared with **September 30, 2022** **September 30, 2023** was driven by an increase in equity due to positive earnings, partially offset by share repurchases and dividends. RJF's Tier 1 capital and Total capital ratios increased compared with **September 30, 2022** **September 30, 2023** resulting from the increase in regulatory capital, and a decrease partially offset by an increase in risk-weighted assets. The decrease increase in risk-weighted assets was primarily driven by a decrease in assets segregated for regulatory purposes, partially offset by an increase in our bank loan portfolio.

portfolio and company-owned life insurance policies. RJF's Tier 1 leverage ratio at **June 30, 2023** **December 31, 2023** increased compared to **September 30, 2022** **September 30, 2023** due to the increase in regulatory capital, and lower which was partially offset by higher average assets, primarily driven by a decrease an increase in assets segregated for regulatory purposes, cash and our bank loan portfolio.

To meet the requirements for capital adequacy or to be categorized as "well-capitalized," Raymond James Bank and TriState Capital Bank must maintain Tier 1 leverage, Tier 1 capital, CET1, and Total capital amounts and ratios as set forth in the following tables. Our intention is to maintain Raymond James Bank's and TriState Capital Bank's "well-capitalized" status. In the unlikely event that Raymond James Bank or TriState Capital Bank failed to maintain their "well-capitalized" status, the consequences could include a requirement to obtain a waiver from the FDIC prior to acceptance, renewal, or rollover of brokered deposits and result in higher FDIC premiums, but would not significantly impact our operations.

\$ in millions	Actual		Requirement for capital adequacy purposes		To be well-capitalized under regulatory provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Raymond James Bank as of June 30, 2023:						
Tier 1 leverage	\$ 3,349	7.6 %	\$ 1,768	4.0 %	\$ 2,210	5.0 %
Tier 1 capital	\$ 3,349	13.6 %	\$ 1,476	6.0 %	\$ 1,967	8.0 %
CET1	\$ 3,349	13.6 %	\$ 1,107	4.5 %	\$ 1,599	6.5 %

Total capital	\$ 3,658	14.9 %	\$ 1,967	8.0 %	\$ 2,459	10.0 %
Raymond James Bank as of September 30, 2022:						
Tier 1 leverage	\$ 2,998	7.1 %	\$ 1,695	4.0 %	\$ 2,119	5.0 %
Tier 1 capital	\$ 2,998	12.1 %	\$ 1,485	6.0 %	\$ 1,979	8.0 %
CET1	\$ 2,998	12.1 %	\$ 1,113	4.5 %	\$ 1,608	6.5 %
Total capital	\$ 3,308	13.4 %	\$ 1,979	8.0 %	\$ 2,474	10.0 %

Raymond James Bank's regulatory capital increased compared with September 30, 2022, driven by positive earnings, partially offset by dividends paid to Rjf. Raymond James Bank's Tier 1 capital and Total capital ratios increased compared with September 30, 2022 resulting from the increase in regulatory capital and a decrease in risk-weighted assets largely due to a decrease in the bank loan and available-for-sale securities portfolios. Raymond James Bank's Tier 1 leverage ratio at June 30, 2023 increased compared with September 30, 2022 due to the increase in regulatory capital, partially offset by an increase in average assets, primarily driven by higher cash balances.

\$ in millions	Actual		Requirement for capital adequacy purposes		To be well-capitalized under regulatory provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Raymond James Bank as of December 31, 2023:						
Tier 1 leverage	\$ 3,375	7.9 %	\$ 1,702	4.0 %	\$ 2,127	5.0 %
Tier 1 capital	\$ 3,375	13.9 %	\$ 1,457	6.0 %	\$ 1,942	8.0 %
CET1	\$ 3,375	13.9 %	\$ 1,093	4.5 %	\$ 1,578	6.5 %
Total capital	\$ 3,681	15.2 %	\$ 1,942	8.0 %	\$ 2,428	10.0 %
Raymond James Bank as of September 30, 2023:						
Tier 1 leverage	\$ 3,355	7.8 %	\$ 1,710	4.0 %	\$ 2,137	5.0 %
Tier 1 capital	\$ 3,355	13.7 %	\$ 1,465	6.0 %	\$ 1,954	8.0 %
CET1	\$ 3,355	13.7 %	\$ 1,099	4.5 %	\$ 1,587	6.5 %
Total capital	\$ 3,662	15.0 %	\$ 1,954	8.0 %	\$ 2,442	10.0 %
TriState Capital Bank as of December 31, 2023:						
Tier 1 leverage	\$ 1,358	7.1 %	\$ 764	4.0 %	\$ 956	5.0 %
Tier 1 capital	\$ 1,358	15.2 %	\$ 536	6.0 %	\$ 715	8.0 %
CET1	\$ 1,358	15.2 %	\$ 402	4.5 %	\$ 581	6.5 %
Total capital	\$ 1,403	15.7 %	\$ 715	8.0 %	\$ 894	10.0 %
TriState Capital Bank as of September 30, 2023:						
Tier 1 leverage	\$ 1,290	7.2 %	\$ 721	4.0 %	\$ 902	5.0 %
Tier 1 capital	\$ 1,290	14.8 %	\$ 524	6.0 %	\$ 699	8.0 %
CET1	\$ 1,290	14.8 %	\$ 393	4.5 %	\$ 568	6.5 %
Total capital	\$ 1,333	15.3 %	\$ 699	8.0 %	\$ 874	10.0 %

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\$ in millions	Actual		Requirement for capital adequacy purposes		To be well-capitalized under regulatory provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
TriState Capital Bank as of June 30, 2023:						
Tier 1 leverage	\$ 1,243	7.2 %	\$ 695	4.0 %	\$ 868	5.0 %
Tier 1 capital	\$ 1,243	14.7 %	\$ 507	6.0 %	\$ 676	8.0 %
CET1	\$ 1,243	14.7 %	\$ 380	4.5 %	\$ 549	6.5 %
Total capital	\$ 1,283	15.2 %	\$ 676	8.0 %	\$ 845	10.0 %
TriState Capital Bank as of September 30, 2022:						
Tier 1 leverage	\$ 1,093	7.3 %	\$ 601	4.0 %	\$ 752	5.0 %

Tier 1 capital	\$ 1,093	14.1 %	\$ 463	6.0 %	\$ 618	8.0 %
CET1	\$ 1,093	14.1 %	\$ 348	4.5 %	\$ 502	6.5 %
Total capital	\$ 1,122	14.5 %	\$ 618	8.0 %	\$ 772	10.0 %

TriState Capital Bank's regulatory capital increased compared with September 30, 2022, driven by positive earnings. TriState Capital Bank's Tier 1 capital and Total capital ratios increased compared with September 30, 2022, due to the increase in regulatory capital, partially offset by an increase in risk-weighted assets primarily resulting from increases in Our bank loans and available-for-sale securities. TriState Capital Bank's Tier 1 leverage ratio at June 30, 2023 decreased slightly compared with September 30, 2022 as the increase in regulatory capital was offset by an increase in average assets, primarily driven by higher cash balances, as well as the increases in bank loans and available-for-sale securities.

Our banking subsidiaries may pay dividends to RJF without prior approval of their respective regulators subject to certain restrictions including retained net income and targeted regulatory capital ratios. Dividends paid to RJF from our banking bank subsidiaries may be limited to the extent that capital is needed to support their balance sheet growth.

Certain of our broker-dealer subsidiaries are subject to the requirements of the Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934. The following table presents the net capital position of RJ&A.

		June 30, September			December 31, 2023	September 30, 2023
\$ in millions	\$ in millions	2023	30, 2022	\$ in millions		
Raymond	Raymond					
James &	James &					
Associates,	Associates,					
Inc.:	Inc.:					
(Alternative Method elected)	(Alternative Method elected)					
Net capital as a percent of aggregate debit items	Net capital as a percent of aggregate debit items	43.4 %	40.9 %	Net capital as a percent of aggregate debit items		
Net capital	Net capital	\$ 1,065	\$ 1,152			
Less: required net capital	Less: required net capital	(49)	(56)			
Excess net capital	Excess net capital	\$ 1,016	\$ 1,096			

As of June 30, 2023 December 31, 2023, all of our other active regulated domestic and international subsidiaries were in compliance with and exceeded all applicable capital requirements.

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NOTE 22.21 – EARNINGS PER SHARE

The following table presents the computation of basic and diluted earnings per common share.

		Three months ended June 30,		Nine months ended June 30,	
in millions, except per share amounts	in millions, except per share amounts	2023	2022	2023	2022
<i>in millions, except per share amounts</i>					
<i>in millions, except per share amounts</i>					
Income for basic earnings per common share:					
Income for basic earnings per common share:					
Income for basic earnings per common share:	Income for basic earnings per common share:				
Net income available to common shareholders	Net income available to common shareholders	\$ 369	\$ 299	\$ 1,301	\$ 1,068
Net income available to common shareholders	Net income available to common shareholders				
Net income available to common shareholders	Net income available to common shareholders				

Less allocation of earnings and dividends to participating securities							
Less allocation of earnings and dividends to participating securities							
Less allocation of earnings and dividends to participating securities	Less allocation of earnings and dividends to participating securities	(1)	(1)	(4)	(2)		
Net income available to common shareholders after participating securities	Net income available to common shareholders after participating securities	\$ 368	\$ 298	\$ 1,297	\$ 1,066		
Net income available to common shareholders after participating securities							
Net income available to common shareholders after participating securities							
Income for diluted earnings per common share:	Income for diluted earnings per common share:						
Income for diluted earnings per common share:	Income for diluted earnings per common share:						
Net income available to common shareholders	Net income available to common shareholders	\$ 369	\$ 299	\$ 1,301	\$ 1,068		
Net income available to common shareholders							
Net income available to common shareholders							
Less allocation of earnings and dividends to participating securities							
Less allocation of earnings and dividends to participating securities							
Less allocation of earnings and dividends to participating securities	Less allocation of earnings and dividends to participating securities	(1)	(1)	(4)	(2)		
Net income available to common shareholders after participating securities	Net income available to common shareholders after participating securities	\$ 368	\$ 298	\$ 1,297	\$ 1,066		
Net income available to common shareholders after participating securities							
Net income available to common shareholders after participating securities							
Common shares:	Common shares:						
Common shares:	Common shares:						
Average common shares in basic computation	Average common shares in basic computation	210.1	210.7	213.0	208.1		
Average common shares in basic computation							
Average common shares in basic computation							
Dilutive effect of outstanding stock options and certain RSUs							
Dilutive effect of outstanding stock options and certain RSUs							
Dilutive effect of outstanding stock options and certain RSUs	Dilutive effect of outstanding stock options and certain RSUs	4.7	5.0	5.0	5.4		
Average common and common equivalent shares used in diluted computation	Average common and common equivalent shares used in diluted computation	214.8	215.7	218.0	213.5		

Average common and common equivalent shares used in diluted computation												
Average common and common equivalent shares used in diluted computation												
Earnings per common share:												
Earnings per common share:												
Basic	Basic	\$	1.75	\$	1.41	\$	6.09					
Basic							\$ 5.12					
Basic												
Diluted												
Diluted												
Diluted	Diluted	\$	1.71	\$	1.38	\$	5.95					
Stock options and certain RSUs excluded from weighted-average diluted common shares because their effect would be antidilutive	Stock options and certain RSUs excluded from weighted-average diluted common shares because their effect would be antidilutive		1.8		0.5		4.99					
Stock options and certain RSUs excluded from weighted-average diluted common shares because their effect would be antidilutive							0.4					
Stock options and certain RSUs excluded from weighted-average diluted common shares because their effect would be antidilutive												

The allocation of earnings and dividends to participating securities in the preceding table represents dividends paid during the period to participating securities, consisting of RSAs and certain RSUs, as well as the RSAs granted as part of our acquisition of TriState Capital, plus an allocation of undistributed earnings to such participating securities. Participating securities and related dividends paid on these participating securities were insignificant for each of the three and nine months ended June 30, 2023 December 31, 2023 and 2022. Undistributed earnings are allocated to participating securities based upon their right to share in earnings if all earnings for the period had been distributed.

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NOTE 23 22 – SEGMENT INFORMATION

We currently operate through the following five segments: PCG; Capital Markets; Asset Management; Bank; and Other.

The segments are determined based upon factors such as the services provided and the distribution channels served and are consistent with how we assess performance and determine how to allocate our resources. For a further discussion of our segments, see Note 26 of our 2022 2023 Form 10-K.

The following table presents information concerning operations in these segments.

\$ in millions	Three months ended June 30,		Nine months ended June 30,	
	2023	2022	2023	2022
Net revenues:				
Private Client Group	\$ 2,182	\$ 1,958	\$ 6,389	\$ 5,719
Capital Markets	276	383	873	1,410
Asset Management	226	228	649	698
Bank	514	276	1,562	656
Other	15	(21)	34	(54)
Intersegment eliminations	(306)	(106)	(941)	(257)
Total net revenues	\$ 2,907	\$ 2,718	\$ 8,566	\$ 8,172
Pre-tax income/(loss):				
Private Client Group	\$ 411	\$ 251	\$ 1,286	\$ 659

Capital Markets	(34)	61	(84)	349
Asset Management	89	93	251	303
Bank	66	74	293	259
Other (1)	(46)	(64)	(51)	(164)
Total pre-tax income	\$ 486	\$ 415	\$ 1,695	\$ 1,406

(1) The nine months ended June 30, 2023 included the favorable impact of a \$32 million insurance settlement received during the period related to a previously settled litigation matter. This item has been reflected as an offset to "Other" expenses on our Condensed Consolidated Statements of Income and Comprehensive Income.

\$ in millions	Three months ended December 31,	
	2023	2022
Net revenues:		
Private Client Group	\$ 2,226	\$ 2,063
Capital Markets	338	295
Asset Management	235	207
Bank	441	508
Other	26	9
Intersegment eliminations	(253)	(296)
Total net revenues	\$ 3,013	\$ 2,786
Pre-tax income/(loss):		
Private Client Group	\$ 439	\$ 434
Capital Markets	3	(16)
Asset Management	93	80
Bank	92	136
Other	3	18
Total pre-tax income	\$ 630	\$ 652

No individual client accounted for more than ten percent of revenues in any of the periods presented.

The following table presents our net interest income on a segment basis.

		Three months ended June 30,		Nine months ended June 30,	
		Three months ended December 31,		Three months ended December 31,	
		Three months ended December 31,		Three months ended December 31,	
\$ in millions	\$ in millions	2023	2022	2023	2022
Net interest income/(expense):					
\$ in millions					
\$ in millions					
Net interest income:					
Net interest income:					
Net interest income:					
Private Client Group	Private Client Group	\$ 89	\$ 58	\$ 264	\$ 122
Capital Markets	Capital Markets	—	3	1	8
Capital Markets	Capital Markets	—	—	—	—
Asset Management	Asset Management	2	1	7	1
Asset Management	Asset Management	—	—	—	—
Bank	Bank	497	270	1,518	636
Bank	Bank	—	—	—	—
Other	Other	—	—	—	—
Other	Other	—	—	—	—
Other	Other	13	(18)	28	(61)
Net interest income	Net interest income	\$ 601	\$ 314	\$ 1,818	\$ 706
Net interest income	Net interest income	—	—	—	—

Net interest income

The following table presents our total assets on a segment basis.

		June 30, September		\$ in millions	December 31, 2023	September 30, 2023
\$ in millions	\$ in millions	2023	30, 2022			
Total assets:	Total assets:					
Private Client Group						
Private Client Group						
Private Client Group	Private Client Group	\$12,287	\$ 17,770			
Capital Markets	Capital Markets	2,926	3,951			
Asset Management	Asset Management	545	556			
Bank	Bank	59,506	56,737			
Other	Other	2,369	1,937			
Total	Total	\$77,633	\$ 80,951			

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The following table presents goodwill, which was included in our total assets, on a segment basis.

		June 30, September		\$ in millions	December 31, 2023	September 30, 2023
\$ in millions	\$ in millions	2023	30, 2022			
Goodwill:	Goodwill:					
Private Client Group						
Private Client Group						
Private Client Group	Private Client Group	\$ 570	\$ 550			
Capital Markets	Capital Markets	275	274			
Asset Management	Asset Management	69	69			
Bank	Bank	529	529			
Total	Total	\$1,443	\$ 1,422			

We have operations in the U.S., Canada, and Europe. Substantially all The vast majority of our long-lived assets are located in the U.S. The following table presents our net revenues and pre-tax income/(loss) classified by major geographic area in which they were earned.

		Three months ended June 30,		Nine months ended June 30,	
\$ in millions	\$ in millions	2023	2022	2023	2022
\$ in millions					
\$ in millions					
Net revenues:					
Net revenues:					
Net revenues:	Net revenues:				
U.S.	U.S.	\$ 2,652	\$ 2,472	\$ 7,819	\$ 7,491
U.S.					
U.S.					
Canada					
Canada					
Canada	Canada	140	138	418	404
Europe	Europe	115	108	329	277
Europe					
Europe					

Total								
Total	Total	\$ 2,907	\$ 2,718	\$ 8,566	\$ 8,172			
Pre-tax income/(loss):	Pre-tax income/(loss):							
Pre-tax income/(loss):								
Pre-tax income/(loss):								
U.S.								
U.S.								
U.S.	U.S.	\$ 492	\$ 393	\$ 1,625	\$ 1,330			
Canada	Canada	17	20	84	52			
Canada								
Canada								
Europe								
Europe								
Europe	Europe	(23)	2	(14)	24			
Total	Total	\$ 486	\$ 415	\$ 1,695	\$ 1,406			
Total								
Total								

The following table presents our total assets by major geographic area in which they were held.

\$ in millions	\$ in millions	June 30, 2023	30, September 2022	\$ in millions	December 31, 2023	September 30, 2023
Total assets:	Total assets:					
U.S.	U.S.	\$71,653	\$ 74,428			
U.S.						
U.S.						
Canada	Canada	3,397	3,631			
Europe	Europe	2,583	2,892			
Total	Total	\$77,633	\$ 80,951			

The following table presents goodwill, which was included in our total assets, classified by major geographic area in which it was held.

\$ in millions	\$ in millions	June 30, 2023	30, September 2022	\$ in millions	December 31, 2023	September 30, 2023
Goodwill:	Goodwill:					
U.S.	U.S.	\$1,250	\$ 1,250			
U.S.						
U.S.						
Canada	Canada	24	23			
Europe	Europe	169	149			
Total	Total	\$1,443	\$ 1,422			

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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FACTORS AFFECTING "FORWARD-LOOKING STATEMENTS"

Certain statements made in this Quarterly Report on Form 10-Q may constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements include information concerning future strategic objectives, business prospects, anticipated savings, financial results (including expenses, earnings, liquidity, cash flow and capital expenditures), industry or market conditions (including changes in interest rates and inflation), demand for and pricing of our products (including cash sweep and deposit offerings), acquisitions, divestitures, anticipated results of litigation, regulatory developments, and general economic conditions. In addition, words such as "believes," "expects," "anticipates," "estimates," "projects," and future or conditional verbs such as "will," "may," "may," "will," "could," "should," and "would," as well as any other statement that necessarily depends on future events, are intended to identify forward-looking statements. Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. Although we make such statements based on assumptions that we believe to be reasonable, there can be no assurance that actual results will not differ materially from those expressed in the forward-looking statements. We caution investors not to rely unduly on any forward-looking statements and urge you to carefully consider the risks described in our filings with the Securities and Exchange Commission (the "SEC") from time to time, including our most recent Annual Report on Form 10-K, and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, which are available at www.raymondjames.com and the SEC's website at www.sec.gov. We expressly disclaim any obligation to update any forward-looking statement in the event it later turns out to be inaccurate, whether as a result of new information, future events, or otherwise.

INTRODUCTION

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help the reader understand the results of our operations and financial condition. This MD&A is provided as a supplement to, and should be read in conjunction with, our condensed consolidated financial statements and accompanying notes to condensed consolidated financial statements. Where "NM" is used in various percentage change computations, the computed percentage change has been determined to be not meaningful.

We operate as a financial holding company and bank holding company. Results in the businesses in which we operate are highly correlated to general economic conditions and, more specifically, to the direction of the U.S. equity and fixed income markets, changes in interest rates, market volatility, corporate and mortgage lending markets and commercial and residential credit trends. Overall market conditions, economic, political and regulatory trends, and industry competition are among the factors which could affect us and which are unpredictable and beyond our control. These factors affect the financial decisions made by market participants, including investors, depositors, borrowers, and competitors, impacting their level of participation in the financial markets. These factors also impact the level of investment banking activity and asset valuations, which ultimately affect our business results.

EXECUTIVE OVERVIEW

Quarter ended **June 30, 2023** December 31, 2023 compared with the quarter ended **June 30, 2022** December 31, 2022

For our fiscal third first quarter of **2023** **2024**, we generated net revenues of **\$2.91** billion **\$3.01** billion, an increase of **7%** **8%** compared with the prior-year quarter, and while pre-tax income of **\$486** million increased **17%** **\$630** million decreased **\$22** million, or **3%**. Our net income available to common shareholders of **\$369** million increased **23%** **\$497** million decreased **2%**, and our earnings per diluted share were **\$1.71**, **\$2.32**, reflecting a **24%** increase, an increase of **1%**. Our annualized return on common equity ("ROCE") for the quarter was **14.9%** **19.1%**, compared with **13.3%** **21.3%** for the prior-year quarter, and our annualized return on tangible common equity ("ROTCE") was **18.3%** **23.0%**(¹), compared

with **15.6%** **26.2%**⁽¹⁾ for the prior-year quarter. Excluding **\$40 million** the impact of **\$23 million** of expenses related to acquisitions completed in prior years, such as compensation related to retention awards and amortization of identifiable intangible assets, our adjusted net income available to common shareholders was **\$399 million** **\$514 million**⁽¹⁾ for the three months ended June 30, 2023 and our December 31, 2023, an increase of **\$9 million**, or **2%**, compared with adjusted net income available to common shareholders for the prior-year quarter which, in addition to acquisition-related expenses, excluded the impact of a **\$32 million** favorable insurance settlement received in the prior-year quarter related to a previously-settled legal matter, which did not recur. Our adjusted earnings per diluted share were **\$1.85** **\$2.40**⁽¹⁾, each **15%** higher an increase of **5%** compared with the prior-year quarter. Adjusted annualized ROCE for the quarter was **16.1%** **19.7%**⁽¹⁾ and adjusted annualized ROTCE was **19.7%** **23.8%**⁽¹⁾ compared with adjusted annualized ROCE of **15.4%** **21.2%**⁽¹⁾ and adjusted annualized ROTCE of **18.1%** **26.1%**⁽¹⁾ for the prior-year quarter.

(1) ROTCE, adjusted net income available to common shareholders, adjusted earnings per diluted share, adjusted annualized ROCE, and adjusted annualized ROTCE are non-GAAP financial measures. Please see the "Reconciliation of non-GAAP financial measures to GAAP financial measures" in this MD&A for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, and for other important disclosures.

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Quarterly The increase in net revenues increased compared with the prior-year quarter was primarily due to the benefit of higher short-term interest rates on net interest income and RJBDP fees from third-party banks, as well as incremental revenues from our prior-year acquisitions of TriState Capital in June 2022 and SumRidge Partners, LLC ("SumRidge Partners") in July 2022. These increases were offset by lower investment banking revenues due to a challenging market environment during the current quarter, which continued to dampen capital markets activity not only in our business but across the industry, as well as lower asset management and related administrative fees, primarily as a largely the result of lower higher PCG client assets in fee-based accounts at the beginning of the current quarter compared with the prior-year quarter. Investment banking revenues increased compared with the prior-year quarter but continued to be impacted by market uncertainty, which negatively impacted industry-wide investment banking activity. Brokerage revenues also increased compared with the prior-year quarter largely due to an increase in client activity in the PCG segment. Offsetting these increases was a decrease in combined net interest income and RJBDP fees of **\$25 million**, or **3%**, as the benefits of higher short-term interest rates on net interest income and RJBDP fees from third-party banks and of higher average interest-earning assets were more than offset by a significant increase in interest expense, primarily resulting from a shift in the mix of deposit balances at our Bank segment, as lower-cost RJBDP balances declined compared with the prior-year quarter, primarily due to lower asset-based trailing revenues while balances in the higher-cost ESP, which was launched to PCG segment, as well as decreased activity from depository institution clients in the Capital Markets segment. March 2023, continued to increase.

Compensation, commissions and benefits expense increased **1%** **11%**, primarily due to incremental compensation expenses arising from the aforementioned acquisitions, an increase in compensable revenues, as well as an increase in compensation costs both to support our growth and annual salary cost increases, partially offset by a decrease in compensable revenues compared with the prior-year quarter, including salaries. Our compensation ratio, or the ratio of compensation, commissions and benefits expense to net revenues, was **63.7%** **63.8%**, compared with **67.5%** **62.3%** for the prior-year quarter. Excluding acquisition-related compensation expenses, our adjusted compensation ratio was **62.7%** **63.4%**⁽¹⁾, compared with **66.8%** **61.7%**⁽¹⁾ for the prior-year quarter. The decline increase in the compensation ratio primarily resulted from changes in our revenue mix due to higher increases in compensable revenues compared with the prior-year quarter, as well as a decrease in combined net interest income and RJBDP fees from third-party banks, which have little associated direct compensation.

Non-compensation expenses increased **\$101** **\$64 million**, or **22%**. Elevated provisions for legal and regulatory matters during **16%**, largely due to the current favorable impact of a **\$32 million** insurance settlement received in the prior-year quarter accounted for approximately **\$65 million** related to a previously settled litigation matter, the impact of the increase, with the remainder primarily resulting from incremental expenses arising from the aforementioned acquisitions, a FDIC special assessment of **\$9 million**, as well as higher communications and information processing expenses, arising both primarily resulting from acquisitions and continued investments in technology to support our growth, and higher business development expenses. The bank loan provision for credit losses was **\$54 million** for the current-year quarter compared with a provision of **\$56 million** for the prior-year quarter, which included an initial provision for credit losses of **\$26 million** on loans acquired as part of the TriState Capital acquisition. The bank loan provision for credit losses in the current-year quarter largely reflected the impacts of a weaker economic outlook for the CRE portfolio as reflected in the Moody's CRE Price Index in our CECL model and, to a lesser extent, loan downgrades during the quarter. growth.

Our effective income tax rate was **24.1%** **21.0%** for our fiscal third first quarter of **2023** **2024**, a slight decrease compared with the **27.5%** **21.9%** effective income tax rate for the prior-year quarter, primarily due to the impact on our provision for income taxes from nontaxable valuation gains associated with our company-owned life insurance policies in the current-year quarter compared with nondeductible valuation losses in the prior-year quarter.

As of **June 30, 2023** **December 31, 2023**, our Tier 1 leverage ratio of **11.4%** **12.1%** and Total capital ratio of **22.0%** **23.0%** were both more significantly higher than double the regulatory requirement to be considered well-capitalized. We also continue to have substantial liquidity with **\$1.7 billion** **\$2.1 billion**⁽²⁾ of cash at the parent as of **June 30, 2023**, which includes cash the parent loaned to RJ&A to invest on its behalf. **December 31, 2023**. We believe our capital and funding position provides us the opportunity to manage our balance sheet prudently and to continue to be opportunistic and invest in growth. We also have access to significant sources of funding for our business activities should the need arise, including borrowings against the **\$750 million** balance available on our revolving credit facility, which was recently renewed and increased from **\$500 million** in April 2023, as well as nearly **\$10 billion** of FHLB borrowing capacity in the Bank segment. During the three months ended **June 30, 2023** **December 31, 2023**, we repurchased **3.31 million** **1.41 million** shares of our common stock for **\$300 million** **\$150 million** at an average price of **\$91** **\$106.51** per share under the Board of Directors' common stock repurchase authorization. After the effect of those repurchases, **\$750 million** **\$1.39 billion** remained under such authorization. We currently expect to continue to repurchase our common stock in our fiscal fourth second quarter of **2023** **2024** to offset the remaining impact of shares issued with the acquisition of TriState Capital in fiscal 2022 as well as and to offset dilution from share-based compensation; however, we will continue to monitor market conditions and other capital needs as we consider these repurchases.

As we look ahead to our fiscal second quarter of 2024, we believe we are well-positioned for long-term growth, with our strong capital position and total client assets under administration of **\$1.37 trillion**. We expect our fiscal second quarter of 2024 results to be favorably impacted by higher asset management and related administrative fees, which will benefit from the magnitude **9%** sequential increase in both PCG fee-based assets and financial assets under management as of December 31, 2023. In addition, our financial advisor recruiting activity remains robust, including a strong recruiting pipeline. However, absent a change to interest rates from December 31, 2023 levels, we expect our combined net interest income and RJBDP fees from third-party banks to further decline an estimated **5%** in total in our fiscal second quarter compared with our fiscal first quarter of 2024 due to lower net interest income in our Bank segment reflecting the impact from higher-cost diversified funding sources, including our ESP which was launched to PCG clients in March

2023. While we have a healthy investment banking pipeline and we believe the environment for M&A and advisory activity is improving, the pace and timing of these repurchases, transactions are heavily influenced by market conditions, and we expect investment banking activity to continue to be negatively impacted by market uncertainty during our fiscal second quarter of 2024 but start to improve later in our fiscal 2024. We expect to continue to experience headwinds for brokerage revenues due to flat or declining cash balances at many of our depository institution clients. In addition, although we have proactively taken steps to manage our credit risk in our loan portfolio, future economic deterioration or changes in our macroeconomic outlook could result in increased bank loan provisions for credit losses in future periods.

(1) Adjusted compensation ratio is a non-GAAP financial measure. Please see the "Reconciliation of non-GAAP financial measures to GAAP financial measures" in this MD&A for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, and for other important disclosures.

(2) For additional information, please see the "Liquidity and capital resources - Sources of liquidity" section in this MD&A.

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As we look ahead to our fiscal fourth quarter of 2023, we expect our results to be favorably impacted by higher asset management and related administrative fees, which will benefit from the 5% sequential increase in PCG fee-based assets and 3% sequential increase in financial assets under management as of June 30, 2023. However, we expect our combined net interest income and RJBDP fees from third-party banks to decline an estimated 5% in total in our fiscal fourth quarter compared with our fiscal third quarter of 2023 due to lower net interest income in our Bank segment reflecting the impact from higher-cost diversified funding sources, including our Enhanced Savings Program which was launched to PCG clients in March 2023, as well as elevated cash balances we plan to maintain in our Bank segment due to market conditions, partially offset by an increase in RJBDP fees from third-party banks due to the combination of higher average balances swept to such banks as well as recent increases in short-term interest rates. While we have a healthy investment banking pipeline, market uncertainty continues to impact the pace and timing of transactions, and we expect such uncertainty to continue in our fiscal fourth quarter, which may continue to have a negative impact on investment banking revenues compared to prior year levels. We expect to continue to experience headwinds for brokerage revenues due to a decline in cash balances at many of our depository institution clients. In addition, although we have proactively taken steps to manage our credit risk in our loan portfolio, including selling approximately \$450 million of corporate loans during the fiscal third quarter of 2023, future economic deterioration or changes in our macroeconomic outlook could result in increased bank loan provisions for credit losses in future periods.

Nine months ended June 30, 2023 compared with the nine months ended June 30, 2022

For the nine months ended June 30, 2023, we generated net revenues of \$8.57 billion, an increase of 5% compared with the prior-year period, and pre-tax income of \$1.70 billion, an increase of 21%. Our net income available to common shareholders of \$1.30 billion was 22% higher than the prior-year period and our earnings per diluted share were \$5.95, reflecting a 19% increase. Our annualized ROCE was 17.9%, compared with 16.3% for the prior-year period, and our annualized ROTCE was 22.0%, compared with 18.7% for the prior-year period.

The nine months ended June 30, 2023 included \$97 million of expenses related to acquisitions completed in prior years, such as compensation related to retention awards and amortization of identifiable intangible assets. The nine months ended June 30, 2023 also included the favorable impact of a \$32 million insurance settlement received during our fiscal first quarter related to a previously-settled legal matter. Excluding these items, our adjusted net income available to common shareholders was \$1.35 billion, an increase of 17% compared with the prior-year period, and our adjusted earnings per diluted share were \$6.17, an increase of 14%. Adjusted annualized ROCE was 18.5%, compared with 17.6% in the prior-year period, and adjusted annualized ROTCE was 22.7%, compared with 20.1% in the prior-year period.

The increase in net revenues compared with the prior-year period was primarily driven by the benefit of significantly higher short-term interest rates in the current-year period on both net interest income and RJBDP fees from third-party banks, as well as incremental revenues arising from our prior-year acquisitions of Charles Stanley, TriState Capital and SumRidge. These increases were offset by lower investment banking and brokerage revenues, primarily due to a more challenging market environment during the current-year period, and a decline in asset management and related administrative fees, primarily attributable to lower PCG client assets in fee-based accounts at the beginning of each of the current-year quarterly billing periods.

Compensation, commissions and benefits expense decreased 3%, primarily attributable to the decrease in compensable revenues compared with the prior-year period, partially offset by incremental expenses arising from our prior-year acquisitions of Charles Stanley, TriState Capital, and SumRidge, as well as an increase in compensation costs to support our growth and annual salary increases. Our compensation ratio was 63.1%, compared with 68.2% for the prior-year period. Excluding acquisition-related compensation expenses, our adjusted compensation ratio was 62.4%, compared with an adjusted compensation ratio of 67.6% for the prior-year period.

Non-compensation expenses increased \$268 million, or 22%, due most significantly to incremental expenses arising from our prior-year acquisitions of Charles Stanley, TriState Capital, and SumRidge, elevated provisions for legal and regulatory matters during the current period of approximately \$100 million, as well as increases in business development expenses, communications and information processing expenses, and the bank loan provision for credit losses. Partially offsetting these increases was the aforementioned favorable insurance settlement received.

(1) ROTCE, adjusted net income available to common shareholders, adjusted earnings per diluted share, adjusted annualized ROCE, adjusted annualized ROTCE, and adjusted compensation ratio are non-GAAP financial measures. Please see the "Reconciliation of non-GAAP financial measures to GAAP financial measures" in this MD&A for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, and for other important disclosures.

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Our effective income tax rate was 23.0% for the nine months ended June 30, 2023, a decrease from 23.9% for the prior-year period, primarily due to the impact on our provision for income taxes of nontaxable valuation gains associated with our company-owned life insurance policies in the current year compared with nondeductible valuation losses in the prior-year period.

In December 2022, the Board of Directors increased the quarterly cash dividend on common shares to \$0.42 per share and authorized common stock repurchases of up to \$1.5 billion. During the nine months ended June 30, 2023, we repurchased 8.35 million shares of our common stock under the Board of Directors' common stock repurchase authorization for \$788 million at an average price of \$94 per share.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP FINANCIAL MEASURES

We utilize certain non-GAAP financial measures as additional measures to aid in, and enhance, the understanding of our financial results and related measures. These non-GAAP financial measures have been separately identified in this document. We believe certain of these non-GAAP financial measures provide useful information to management and investors by excluding certain material items that may not be indicative of our core operating results. We utilize these non-GAAP financial measures in assessing the financial performance of the business, as they facilitate a comparison of current- and prior-period results. We believe that **return on tangible common equity (ROTCE)** is meaningful to investors as it facilitates comparisons of our results to the results of other companies. In the following tables, the tax effect of non-GAAP adjustments reflects the statutory rate associated with each non-GAAP item. These non-GAAP financial measures should be considered in addition to, and not as a substitute for, measures of financial performance prepared in accordance with GAAP. In addition, our non-GAAP financial measures may not be comparable to similarly titled non-GAAP financial measures of other companies. The following tables provide a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures.

\$ in millions	Three months ended		Nine months ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Net income available to common shareholders	\$ 369	\$ 299	\$ 1,301	\$ 1,068
Non-GAAP adjustments:				
Expenses directly related to acquisitions included in the following financial statement line items:				
Compensation, commissions and benefits:				
Acquisition-related retention	18	16	53	41
Other acquisition-related compensation	10	2	10	2
Total "Compensation, commissions and benefits" expense	28	18	63	43
Professional fees	1	4	1	11
Bank loan provision for credit losses — Initial provision for credit losses on acquired loans	—	26	—	26
Other:				
Amortization of identifiable intangible assets	11	8	33	22
Initial provision for credit losses on acquired lending commitments	—	5	—	5
All other acquisition-related expenses	—	4	—	10
Total "Other" expense	11	17	33	37
Total expenses related to acquisitions	40	65	97	117
Other — Insurance settlement received	—	—	(32)	—
Pre-tax impact of non-GAAP adjustments	40	65	65	117
Tax effect of non-GAAP adjustments	(10)	(16)	(16)	(29)
Total non-GAAP adjustments, net of tax	30	49	49	88
Adjusted net income available to common shareholders	\$ 399	\$ 348	\$ 1,350	\$ 1,156
Compensation, commissions and benefits expense	\$ 1,851	\$ 1,834	\$ 5,407	\$ 5,570
Less: Total compensation-related acquisition expenses (as detailed above)	28	18	63	43
Adjusted "Compensation, commissions and benefits" expense	\$ 1,823	\$ 1,816	\$ 5,344	\$ 5,527

\$ in millions, except per share amounts	Three months ended December 31,	
	2023	2022
Net income available to common shareholders	\$ 497	\$ 507
Non-GAAP adjustments:		
Expenses related to acquisitions:		
Compensation, commissions and benefits — Acquisition-related retention	11	18
Professional fees	1	—
Other — Amortization of identifiable intangible assets	11	11
Total expenses related to acquisitions	23	29
Other — Insurance settlement received	—	(32)
Pre-tax impact of non-GAAP adjustments	23	(3)
Tax effect of non-GAAP adjustments	(6)	1

Total non-GAAP adjustments, net of tax		17	(2)
Adjusted net income available to common shareholders	\$	514	\$
Pre-tax income	\$	630	\$
Pre-tax impact of non-GAAP adjustments (as detailed above)		23	(3)
Adjusted pre-tax income	\$	653	\$
Compensation, commissions and benefits expense	\$	1,921	\$
Less: Acquisition-related retention (as detailed above)		11	18
Adjusted "Compensation, commissions and benefits" expense	\$	1,910	\$
			1,718

Total compensation ratio	63.8 %	62.3 %
<u>Less the impact of non-GAAP adjustments on compensation ratio:</u>		
Acquisition-related retention	0.4 %	0.6 %
Adjusted total compensation ratio	63.4 %	61.7 %

Diluted earnings per common share	\$	2.32	\$	2.30
<u>Impact of non-GAAP adjustments on diluted earnings per common share:</u>				
Expenses related to acquisitions:				
Compensation, commissions and benefits — Acquisition-related retention		0.05		0.08
Professional fees		0.01		—
Other — Amortization of identifiable intangible assets		0.05		0.06
Total expenses related to acquisitions		0.11		0.14
Other — Insurance settlement received		—		(0.15)
Tax effect of non-GAAP adjustments		(0.03)		—
Total non-GAAP adjustments, net of tax		0.08		(0.01)
Adjusted diluted earnings per common share	\$	2.40	\$	2.29

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	Three months ended		Nine months ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Total compensation ratio	63.7 %	67.5 %	63.1 %	68.2 %
<u>Less the impact of non-GAAP adjustments on compensation ratio:</u>				
Acquisition-related retention	0.7 %	0.6 %	0.6 %	0.5 %
Other acquisition-related compensation	0.3 %	0.1 %	0.1 %	0.1 %
Total "Compensation, commissions and benefits" expenses related to acquisitions	1.0 %	0.7 %	0.7 %	0.6 %
Adjusted total compensation ratio	62.7 %	66.8 %	62.4 %	67.6 %
<u>Diluted earnings per common share</u>				
	\$ 1.71	\$ 1.38	\$ 5.95	\$ 4.99
<u>Impact of non-GAAP adjustments on diluted earnings per common share:</u>				
Compensation, commissions and benefits:				
Acquisition-related retention	0.09	0.07	0.24	0.19
Other acquisition-related compensation	0.05	0.01	0.05	0.01
Total "Compensation, commissions and benefits" expense	0.14	0.08	0.29	0.20

Professional fees	—	0.02	—	0.05
Bank loan provision for credit losses — Initial provision for credit losses on acquired loans	—	0.12	—	0.12
Other:				
Amortization of identifiable intangible assets	0.05	0.04	0.15	0.11
Initial provision for credit losses on acquired lending commitments	—	0.02	—	0.02
All other acquisition-related expenses	—	0.02	—	0.05
Total "Other" expense	0.05	0.08	0.15	0.18
Total expenses related to acquisitions	0.19	0.30	0.44	0.55
Other — Insurance settlement received	—	—	(0.15)	—
Tax effect of non-GAAP adjustments	(0.05)	(0.07)	(0.07)	(0.13)
Total non-GAAP adjustments, net of tax	0.14	0.23	0.22	0.42
Adjusted diluted earnings per common share	\$ 1.85	\$ 1.61	\$ 6.17	\$ 5.41

Return on common equity	Return on common equity	Three months ended		Nine months ended					
Return on common equity									
Return on common equity									
\$ in millions									
\$ in millions	\$ in millions	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022				
Average common equity	Average common equity	\$ 9,873	\$ 8,999	\$ 9,705	\$ 8,711				
Average common equity									
Average common equity									
<u>Impact of non-GAAP</u>	<u>Impact of non-GAAP</u>								
<u>adjustments on average</u>	<u>adjustments on average</u>								
<u>common equity:</u>	<u>common equity:</u>								
<u>Impact of non-GAAP adjustments on average common equity:</u>									
<u>Impact of non-GAAP adjustments on average common equity:</u>									
Expenses related to acquisitions:									
Expenses related to acquisitions:									
Expenses related to acquisitions:									
<u>Compensation, commissions and benefits:</u>									
Acquisition-related retention	9	8	27	19					
Other acquisition-related compensation	4	1	2	1					
Total "Compensation, commissions and benefits" expense	13	9	29	20					
<u>Compensation, commissions and benefits —</u>									
Acquisition-related retention									
<u>Compensation, commissions and benefits —</u>									
Acquisition-related retention									
Professional fees	Professional fees	1	2	—	5				
Bank loan provision for credit losses — Initial provision for credit losses on acquired loans									
—	—	13	—	—	7				
Other:									
Amortization of identifiable intangible assets	6	4	17	11					
Initial provision for credit losses on acquired lending commitments	—	3	—	1					
All other acquisition-related expenses	—	2	—	4					
Total "Other" expense	6	9	17	16					

Professional fees					
Professional fees					
Other — Amortization of identifiable intangible assets					
Other — Amortization of identifiable intangible assets					
Other — Amortization of identifiable intangible assets					
Total expenses related to acquisitions					
Total expenses related to acquisitions					
Total expenses related to acquisitions	Total expenses related to acquisitions	20	33	46	48
Other — Insurance settlement received	Other — Insurance settlement received	—	—	(24)	—
Other — Insurance settlement received					
Other — Insurance settlement received					
Tax effect of non-GAAP adjustments					
Tax effect of non-GAAP adjustments					
Tax effect of non-GAAP adjustments	Tax effect of non-GAAP adjustments	(5)	(8)	(5)	(12)
Total non-GAAP adjustments, net of tax	Total non-GAAP adjustments, net of tax	15	25	17	36
Total non-GAAP adjustments, net of tax					
Total non-GAAP adjustments, net of tax					
Adjusted average common equity	Adjusted average common equity	\$ 9,888	\$ 9,024	\$ 9,722	\$ 8,747
Adjusted average common equity					
Adjusted average common equity					

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		Three months ended		Nine months ended	
\$ in millions		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Average common equity					
Average common equity					
Average common equity	Average common equity	\$ 9,873	\$ 8,999	\$ 9,705	\$ 8,711
<u>Less:</u>	<u>Less:</u>				
<u>Less:</u>					
Average goodwill and identifiable intangible assets, net					
Average goodwill and identifiable intangible assets, net					
Average goodwill and identifiable intangible assets, net	Average goodwill and identifiable intangible assets, net	1,930	1,460	1,932	1,169
Average deferred tax liabilities related to goodwill and identifiable intangible assets, net	Average deferred tax liabilities related to goodwill and identifiable intangible assets, net	(128)	(108)	(128)	(86)
Average deferred tax liabilities related to goodwill and identifiable intangible assets, net					
Average deferred tax liabilities related to goodwill and identifiable intangible assets, net					
Average tangible common equity					

Average tangible common equity					
Average tangible common equity	Average tangible common equity	\$ 8,071	\$ 7,647	\$ 7,901	\$ 7,628
<u>Impact of non-GAAP adjustments on average tangible common equity:</u>	<u>Impact of non-GAAP adjustments on average tangible common equity:</u>				
<u>Compensation, commissions and benefits:</u>					
<u>Impact of non-GAAP adjustments on average tangible common equity:</u>					
Expenses related to acquisitions:					
Expenses related to acquisitions:					
Expenses related to acquisitions:					
Acquisition-related retention	9	8	27	19	
Other acquisition-related compensation	4	1	2	1	
Total "Compensation, commissions and benefits" expense	13	9	29	20	
Compensation, commissions and benefits —					
Acquisition-related retention					
Compensation, commissions and benefits —					
Acquisition-related retention					
Compensation, commissions and benefits —					
Acquisition-related retention					
Professional fees	Professional fees	1	2	—	5
Bank loan provision for credit losses — Initial provision for credit losses on acquired loans		—	13	—	7
Other:					
Amortization of identifiable intangible assets	6	4	17	11	
Initial provision for credit losses on acquired lending commitments	—	3	—	1	
All other acquisition-related expenses	—	2	—	4	
Total "Other" expense	6	9	17	16	
Professional fees					
Professional fees					
Other — Amortization of identifiable intangible assets					
Other — Amortization of identifiable intangible assets					
Other — Amortization of identifiable intangible assets					
Total expenses related to acquisitions					
Total expenses related to acquisitions					
Total expenses related to acquisitions	Total expenses related to acquisitions	20	33	46	48
Other — Insurance settlement received	Other — Insurance settlement received	—	—	(24)	—
Other — Insurance settlement received					
Other — Insurance settlement received					
Tax effect of non-GAAP adjustments					
Tax effect of non-GAAP adjustments					
Tax effect of non-GAAP adjustments	Tax effect of non-GAAP adjustments	(5)	(8)	(5)	(12)
Total non-GAAP adjustments, net of tax	Total non-GAAP adjustments, net of tax	15	25	17	36
Total non-GAAP adjustments, net of tax					

Total non-GAAP adjustments, net of tax									
Adjusted average tangible common equity									
Adjusted average tangible common equity									
Adjusted average tangible common equity	Adjusted average tangible common equity	\$	8,086	\$	7,672	\$	7,918	\$	7,664
Return on common equity	Return on common equity		14.9	%	13.3	%	17.9	%	16.3
Return on common equity									
Return on common equity									
Adjusted return on common equity									
Adjusted return on common equity	Adjusted return on common equity		16.1	%	15.4	%	18.5	%	17.6
Return on tangible common equity	Return on tangible common equity		18.3	%	15.6	%	22.0	%	18.7
Return on tangible common equity									
Return on tangible common equity	Return on tangible common equity		19.7	%	18.1	%	22.7	%	20.1
Adjusted return on tangible common equity									
Adjusted return on tangible common equity	Adjusted return on tangible common equity								

Total compensation ratio is computed by dividing compensation, commissions and benefits expense by net revenues for each respective period. Adjusted total compensation ratio is computed by dividing adjusted compensation, commissions and benefits expense by net revenues for each respective period.

Tangible common equity is computed by subtracting goodwill and identifiable intangible assets, net, along with the associated deferred tax liabilities, from total common equity attributable to RJF. Average common equity is computed by adding the total common equity attributable to RJF as of the date indicated to the prior quarter-end total, and dividing by two, or in the case of average tangible common equity, computed by adding tangible common equity as of the date indicated to the prior quarter-end total, and dividing by two. **Average common equity for the year-to-date period is computed by adding the total common equity attributable to RJF as of each quarter-end date during the indicated year-to-date period to the beginning of year total, and dividing by four, or in the case of average tangible common equity, computed by adding tangible common equity as of each quarter-end date during the indicated year-to-date period to the beginning of year total, and dividing by four.** Adjusted average common equity is computed by adjusting for the impact on average common equity of the non-GAAP adjustments, as applicable for each respective period. Adjusted average tangible common equity is computed by adjusting for the impact on average tangible common equity of the non-GAAP adjustments, as applicable for each respective period.

ROCE is computed by dividing annualized net income available to common shareholders for the period indicated by average common equity for each respective period or, in the case of ROTCE, computed by dividing annualized net income available to common shareholders by average tangible common equity for each respective period. Adjusted ROCE is computed by dividing annualized adjusted net income available to common shareholders by adjusted average common equity for each respective period, or in the case of adjusted ROTCE, computed by dividing annualized adjusted net income available to common shareholders by adjusted average tangible common equity for each respective period.

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NET INTEREST ANALYSIS

Largely in response to inflationary pressures since the beginning of fiscal year 2022, the Fed rapidly and consistently increased its benchmark short-term interest rates commencing in March 2022 and continuing **into throughout our fiscal third quarter 2023**. Since the beginning of **2023**, the Fed has increased the Fed funds target rate from a **March 31, 2022** **September 30, 2022** range of **0.25% 2.25%** to **0.50% 2.50%** to a **June 30, 2023** **December 31, 2023** range of **5.00% 5.25%** to **5.25% 5.50%**. **The While** the Fed has **further increased the Fed funds target left its benchmark rate by 25 basis points unchanged in July 2023** and its most recent meetings, it has indicated that it intends to closely monitor **short-term interest market conditions to determine whether it will continue to hold rates throughout the remainder of steady or initiate rate cuts in our fiscal 2023, 2024**. The following table details the Fed's **recent** short-term interest rate **activity** activity since the beginning of our fiscal 2023.

RJF fiscal quarter ended	Effective date of interest rate action	Increase/(decrease) Increase in interest rates (in basis points)	Fed funds target rate
September 30, 2022	September 22, 2022	75	3.00% - 3.25%
December 31, 2022	November 3, 2022	75	3.75% - 4.00%
December 31, 2022	December 15, 2022	50	4.25% - 4.50%
March 31, 2023	February 2, 2023	25	4.50% - 4.75%
March 31, 2023	March 23, 2023	25	4.75% - 5.00%
June 30, 2023	May 4, 2023	25	5.00% - 5.25%
Rate changes subsequent to June 30, 2023			
September 30, 2023	July 27, 2023	25	5.25% - 5.50%

Given the relationship between our interest-sensitive assets and liabilities (primarily held in our PCG, Bank, and Other segments) and the nature of fees we earn from third-party banks on client cash balances swept to such banks as part of the RJBDP (included in account and service fees), our financial results are sensitive to changes in interest rates. Increases in short-term interest rates generally result in an increase in our net earnings, although the magnitude of the impact to our net interest margin depends on the yields on interest-earning assets relative to the cost of interest-bearing liabilities, including deposit rates paid to clients on their cash balances. Our domestic client cash sweep balances continue to represent a relatively low-cost funding source. In fiscal 2023, we introduced the Enhanced Savings Program to our clients source, while other deposit products utilized as part of our strategy to diversify our funding sources, albeit at such as our ESP introduced to our clients in fiscal 2023, have a higher relative cost than other alternatives. Changes to the regulatory landscape governing the fees the firm earns on client assets, including cash sweep balances, as well as other market driven factors, could negatively impact our earnings.

As a result of our diverse funding sources and high concentration of floating-rate assets, we benefited from the increases in short-term interest rates during the second half of fiscal 2022 and continuing into the three and nine months ended June 30, 2023. However, despite recent increases in short-term interest rates, our net interest income and net interest margin decreased during our fiscal third quarter of 2023 compared with the preceding quarter due to a more rapid increase in deposit costs than in recent periods due to growth in the Enhanced Savings Program. Despite an additional 25-basis point increase in the Fed funds target rate in July 2023 and higher RJBDP balances swept to third-party banks, we expect our combined net interest income and RJBDP fees from third-party banks to further decline an estimated 5% of \$698 million for three months ended December 31, 2023 was \$25 million, or 3%, lower compared with the prior-year quarter. The benefits from increases in short-term interest rates throughout our fiscal fourth 2023 and higher interest-earning asset balances compared with the prior-year quarter compared with the fiscal third quarter of 2023, due to lower net were more than offset by a significant increase in interest income in our Bank segment largely expense, primarily resulting from higher interest expense associated with a shift in the continued success mix of our Enhanced Savings Program. Further, we expect to continue to carry a relatively higher level of cash deposit balances in our Bank segment, due to market conditions. In addition, our pace of loan growth may continue to be muted, or otherwise fluctuate over time in response to as lower-cost RJBDP balances declined compared with the prior-year quarter and a number of factors which include changes in interest rates, credit spreads, and other market factors, which may moderate significant portion was replaced with higher-cost ESP balances. However, growth in interest income generated by loans the ESP allowed us to deploy remaining RJBDP balances to third-party banks, which coupled with higher rates earned on such balances resulted in an increase in RJBDP fees from such banks compared with the Bank segment in the near-term, prior-year quarter.

Refer to the discussion of our net interest income within the "Management's Discussion and Analysis - Results of Operations" of our PCG, Bank, and Other segments, where applicable. Also refer to "Management's Discussion and Analysis - Results of Operations - Private Client Group - Clients' domestic cash sweep balances" for further information on the RJBDP.

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The following table presents our consolidated average interest-earning asset and interest-bearing liability balances, interest income and expense and the related rates.

Quarter ended **June 30, 2023** December 31, 2023 compared with the quarter ended **June 30, 2022** December 31, 2022

\$ in millions	\$ in millions	Three months ended June 30,				Three months ended December 31,			
		2023		2022		2023		2022	
		Average daily balance	Interest rate	Average daily balance	Interest rate	Average daily balance	Interest rate	Annualized average rate	
Interest-earning assets:	Interest-earning assets:								
Bank segment:	Bank segment:								
Cash and cash equivalents	Cash and cash equivalents	\$ 5,502	\$ 70	5.08 %	\$ 1,603	\$ 3	0.94 %		
Cash and cash equivalents	Cash and cash equivalents								
Available-for-sale securities	Available-for-sale securities	10,737	56	2.07 %	9,972	37	1.47 %	Available-for-sale securities	
								10,333	
								\$ 79	
								5.41 %	
								2.16 %	

Total interest-earning assets	Total interest-earning assets	\$72,413	\$ 987	5.42 %	\$71,091	\$ 374	2.11 %	Total interest-earning assets	\$73,014	\$	\$1,053	5.69	5.69 %
Interest-bearing liabilities:	Interest-bearing liabilities:												
Bank segment:	Bank segment:												
Bank segment:	Bank segment:												
Bank segment:	Bank segment:												
Bank deposits:	Bank deposits:												
Bank deposits:	Bank deposits:												
Bank deposits:	Bank deposits:												
Money market and savings accounts	Money market and savings accounts												
Money market and savings accounts	Money market and savings accounts	\$38,757	\$ 130	1.35 %	\$37,214	\$ 11	0.12 %	\$32,001	\$	\$160	1.99	1.99 %	\$45,16
Interest-bearing demand deposits	Interest-bearing demand deposits	12,877	157	4.86 %	2,216	7	1.25 %	19,565	244	244	4.97	4.97 %	
Certificates of deposit	Certificates of deposit	2,806	30	4.24 %	842	3	1.58 %	2,757	32	32	4.56	4.56 %	
Total bank deposits (4)	Total bank deposits (4)	54,440	317	2.33 %	40,272	21	0.21 %	54,323	436	436	3.19	3.19 %	
FHLB advances and all other interest-bearing liabilities	FHLB advances and all other interest-bearing liabilities	1,478	12	3.18 %	1,114	5	1.73 %	1,231	10	10	3.03	3.03 %	
Interest-bearing liabilities — Bank segment	Interest-bearing liabilities — Bank segment	\$55,918	\$ 329	2.35 %	\$41,386	\$ 26	0.25 %	\$55,554	\$	\$ 446	3.19	3.19 %	
All other segments:	All other segments:												
Trading liabilities — debt securities	Trading liabilities — debt securities	\$ 703	\$ 9	5.18 %	\$ 164	\$ 1	2.76 %						
Trading liabilities — debt securities	Trading liabilities — debt securities							\$ 756		\$ 11		5.66 %	\$
Brokerage client payables	Brokerage client payables	5,184	17	1.48 %	16,892	3	0.08 %	4,668	20	20	1.72	1.72 %	
Senior notes payable	Senior notes payable	2,038	23	4.44 %	2,037	23	4.44 %	2,039	23	23	4.51	4.51 %	
All other interest-bearing liabilities (4)	All other interest-bearing liabilities (4)	579	8	3.88 %	363	7	2.73 %	980	7	7	2.96	2.96 %	
Interest-bearing liabilities — all other segments	Interest-bearing liabilities — all other segments	\$ 8,504	\$ 57	2.66 %	\$19,456	\$ 34	0.70 %	\$ 8,443	\$	\$ 61	2.89	2.89 %	
Total interest-bearing liabilities	Total interest-bearing liabilities	\$64,422	\$ 386	2.39 %	\$60,842	\$ 60	0.40 %	\$63,997	\$	\$ 507	3.15	3.15 %	

Firmwide net interest income	Firmwide net interest income	\$ 601	\$ 314
Net interest margin (net yield on interest-earning assets)	Net interest margin (net yield on interest-earning assets)		
Bank segment	Bank segment	3.26 %	2.41 %
Firmwide	Firmwide	3.33 %	1.77 % Firmwide
			2.74 %
			2.97 %

- (1) Loans are presented net of unamortized purchase discounts or premiums, unearned income, deferred origination fees and costs, and charge-offs.
- (2) Nonaccrual loans are included in the average loan balances. Any payments received for corporate nonaccrual loans are applied entirely to principal. Interest income on residential mortgage nonaccrual loans is recognized on a cash basis.
- (3) The **yield average rate** on tax-exempt loans in the preceding table is presented on a taxable-equivalent basis utilizing the applicable federal statutory rates for each of the **years periods** presented.
- (4) The average balance, interest expense, and average rate for "Total bank deposits" included amounts associated with affiliate deposits. Such amounts are eliminated in consolidation and are offset in "All other interest-bearing liabilities" under "All other segments".

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Increases and decreases in interest income and interest expense result from changes in average balances (volume) of interest-earning assets and interest-bearing liabilities, as well as changes in average interest rates. The following table shows the effect that these factors had on the interest earned on our interest-earning assets and the interest incurred on our interest-bearing liabilities. The effect of changes in volume is determined by multiplying the change in volume by the previous period's average rate. Similarly, the effect of rate changes is calculated by multiplying the change in average rate by the previous period's volume. Changes attributable to both volume and rate have been allocated proportionately.

			Three months ended December 31,	
			Three months ended December 31,	
			Three months ended December 31,	
			2023 compared to 2022	
			2023 compared to 2022	
			2023 compared to 2022	
			Three months ended June 30,	
			2023 compared to 2022	
			Increase/(decrease) due to	
\$ in millions	\$ in millions	Volume	Rate	Total
\$ in millions	\$ in millions			
Interest-earning assets:	Interest-earning assets:			
Interest-earning assets:	Interest-earning assets:		Interest income	Interest income
Bank segment:	Bank segment:			
Cash and cash equivalents	Cash and cash equivalents	\$ 10	\$ 57	\$ 67
Cash and cash equivalents				
Available-for-sale securities				
Available-for-sale securities				
Available-for-sale securities	Available-for-sale securities	4	15	19
Loans held for sale and investment:	Loans held for sale and investment:			

Loans held for sale and investment:				
Loans held for sale and investment:				
Loans held for investment:				
Loans held for investment:				
Loans held for investment:	Loans held for investment:			
SBL	SBL	52	121	173
SBL				
SBL				
C&I loans				
C&I loans				
C&I loans	C&I loans	13	109	122
CRE loans	CRE loans	37	63	100
CRE loans				
CRE loans				
REIT loans				
REIT loans	REIT loans	3	17	20
Residential mortgage loans	Residential mortgage loans	14	9	23
Residential mortgage loans				
Residential mortgage loans				
Tax-exempt loans	Tax-exempt loans	3	—	3
Tax-exempt loans				
Tax-exempt loans				
Loans held for sale				
Loans held for sale				
Loans held for sale	Loans held for sale	—	2	2
Total loans held for sale and investment	Total loans held for sale and investment	122	321	443
Total loans held for sale and investment				
Total loans held for sale and investment				
All other interest-earning assets				
All other interest-earning assets				
All other interest-earning assets	All other interest-earning assets	—	1	1
Interest-earning assets — Bank segment	Interest-earning assets — Bank segment	\$ 136	\$ 394	\$ 530
Interest-earning assets — Bank segment				
Interest-earning assets — Bank segment				
All other segments:				
All other segments:				
All other segments:	All other segments:			
Cash and cash equivalents	Cash and cash equivalents	\$ (2)	\$ 34	\$ 32
Cash and cash equivalents				
Cash and cash equivalents				
Assets segregated for regulatory purposes and restricted cash				
Assets segregated for regulatory purposes and restricted cash				

Assets segregated for regulatory purposes and restricted cash	Assets segregated for regulatory purposes and restricted cash	(35)	54	19
Trading assets — debt securities	Trading assets — debt securities	10	(1)	9
Trading assets — debt securities				
Brokerage client receivables				
Brokerage client receivables				
Brokerage client receivables	Brokerage client receivables	(3)	21	18
All other interest-earning assets	All other interest-earning assets	(6)	11	5
All other interest-earning assets				
All other interest-earning assets				
Interest-earning assets — all other segments				
Interest-earning assets — all other segments				
Interest-earning assets — all other segments	Interest-earning assets — all other segments	\$ (36)	\$ 119	\$ 83
Total interest-earning assets	Total interest-earning assets	\$ 100	\$ 513	\$ 613
Total interest-earning assets				
Total interest-earning assets				
Interest-bearing liabilities:				
Interest-bearing liabilities:				
Interest-bearing liabilities:	Interest-bearing liabilities:		Interest expense	Interest expense
Bank segment:	Bank segment:			
Bank deposits:	Bank deposits:			
Bank deposits:				
Bank deposits:				
Money market and savings accounts				
Money market and savings accounts				
Money market and savings accounts	Money market and savings accounts	\$ 3	\$ 116	\$ 119
Interest-bearing demand deposits	Interest-bearing demand deposits	88	62	150
Interest-bearing demand deposits				
Interest-bearing demand deposits				
Certificates of deposit				
Certificates of deposit				
Certificates of deposit	Certificates of deposit	15	12	27
Total bank deposits	Total bank deposits	106	190	296
Total bank deposits				
Total bank deposits				
FHLB advances and all other interest-bearing liabilities				
FHLB advances and all other interest-bearing liabilities				

FHLB advances and all other interest-bearing liabilities	FHLB advances and all other interest-bearing liabilities				
Interest-bearing liabilities — Bank segment	Interest-bearing liabilities — Bank segment	\$ 108	\$ 195	\$ 303	
Interest-bearing liabilities — Bank segment	Interest-bearing liabilities — Bank segment				
All other segments:	All other segments:				
All other segments:	All other segments:				
Trading liabilities — debt securities	Trading liabilities — debt securities	\$ 7	\$ 1	\$ 8	
Trading liabilities — debt securities	Trading liabilities — debt securities				
Brokerage client payables	Brokerage client payables	(3)	17	14	
Brokerage client payables	Brokerage client payables				
Senior notes payable	Senior notes payable				
Senior notes payable	Senior notes payable				
Senior notes payable	Senior notes payable				
All other interest-bearing liabilities	All other interest-bearing liabilities				
All other interest-bearing liabilities	All other interest-bearing liabilities				
All other interest-bearing liabilities	All other interest-bearing liabilities	17	(16)	1	
Interest-bearing liabilities — all other segments	Interest-bearing liabilities — all other segments	\$ 21	\$ 2	\$ 23	
Interest-bearing liabilities — all other segments	Interest-bearing liabilities — all other segments				
Total interest-bearing liabilities	Total interest-bearing liabilities				
Total interest-bearing liabilities	Total interest-bearing liabilities				
Total interest-bearing liabilities	Total interest-bearing liabilities	\$ 129	\$ 197	\$ 326	
Change in firmwide net interest income	Change in firmwide net interest income	\$ (29)	\$ 316	\$ 287	
Change in firmwide net interest income	Change in firmwide net interest income				
Change in firmwide net interest income	Change in firmwide net interest income				

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Nine months ended June 30, 2023 compared with the nine months ended June 30, 2022

\$ in millions	Nine months ended June 30,					
	2023			2022		
	Average daily balance	Interest	Annualized average rate	Average daily balance	Interest	Annualized average rate
Interest-earning assets:						
Bank segment:						
Cash and cash equivalents	\$ 3,637	\$ 128	4.66 %	\$ 1,785	\$ 5	0.42 %
Available-for-sale securities	10,886	163	1.99 %	9,116	84	1.23 %

Loans held for sale and investment: (1) (2)							
Loans held for investment:							
SBL	14,580	717	6.49 %		7,630	152	2.62 %
C&I loans	11,109	555	6.59 %		8,989	185	2.72 %
CRE loans	6,951	369	6.99 %		3,476	76	2.90 %
REIT loans	1,671	86	6.80 %		1,278	27	2.76 %
Residential mortgage loans	7,960	186	3.12 %		5,851	119	2.69 %
Tax-exempt loans (3)	1,625	31	3.13 %		1,305	25	3.18 %
Loans held for sale	184	10	7.46 %		243	6	2.98 %
Total loans held for sale and investment	44,080	1,954	5.88 %		28,772	590	2.73 %
All other interest-earning assets	141	6	5.54 %		127	3	2.66 %
Interest-earning assets — Bank segment	\$ 58,744	\$ 2,251	5.08 %		\$ 39,800	\$ 682	2.28 %
All other segments:							
Cash and cash equivalents	\$ 3,084	\$ 111	4.81 %		\$ 4,034	\$ 11	0.35 %
Assets segregated for regulatory purposes and restricted cash	5,125	152	3.96 %		15,879	39	0.32 %
Trading assets — debt securities	1,055	40	5.05 %		452	13	3.90 %
Brokerage client receivables	2,236	124	7.46 %		2,533	66	3.50 %
All other interest-earning assets	1,829	51	3.25 %		1,892	30	2.20 %
Interest-earning assets — all other segments	\$ 13,329	\$ 478	4.73 %		\$ 24,790	\$ 159	0.86 %
Total interest-earning assets	\$ 72,073	\$ 2,729	5.02 %		\$ 64,590	\$ 841	1.74 %
Interest-bearing liabilities:							
Bank segment:							
Bank deposits:							
Money market and savings accounts	\$ 42,828	\$ 383	1.20 %		\$ 34,099	\$ 12	0.05 %
Interest-bearing demand deposits	7,881	266	4.49 %		909	10	1.26 %
Certificates of deposit	1,960	54	3.66 %		806	10	1.76 %
Total bank deposits (4)	52,669	703	1.78 %		35,814	32	0.12 %
FHLB advances and all other interest-bearing liabilities	1,408	30	2.82 %		928	14	2.06 %
Interest-bearing liabilities — Bank segment	\$ 54,077	\$ 733	1.81 %		\$ 36,742	\$ 46	0.17 %
All other segments:							
Trading liabilities — debt securities	\$ 736	\$ 26	4.80 %		\$ 179	\$ 3	1.97 %
Brokerage client payables	6,291	57	1.25 %		16,741	4	0.03 %
Senior notes payable	2,038	69	4.44 %		2,037	69	4.44 %
All other interest-bearing liabilities (4)	655	26	4.06 %		231	13	7.45 %
Interest-bearing liabilities — all other segments	\$ 9,720	\$ 178	2.38 %		\$ 19,188	\$ 89	0.61 %
Total interest-bearing liabilities	\$ 63,797	\$ 911	1.90 %		\$ 55,930	\$ 135	0.32 %
Firmwide net interest income		\$ 1,818				\$ 706	
Net interest margin (net yield on interest-earning assets)							
Bank segment							2.14 %
Firmwide							1.46 %

(1) Loans are presented net of unamortized discounts, unearned income, deferred loan fees and costs, and charge-offs.

(2) Nonaccrual loans are included in the average loan balances. Any payments received for corporate nonaccrual loans are applied entirely to principal. Interest income on residential mortgage nonaccrual loans is recognized on a cash basis.

(3) The yield on tax-exempt loans in the preceding table is presented on a taxable-equivalent basis utilizing the applicable federal statutory rates for each of the years presented.

(4) The average balance, interest expense, and average rate for "Total bank deposits" included amounts associated with affiliate deposits. Such amounts are eliminated in consolidation and are offset in "All other interest-bearing liabilities" under "All other segments".

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Increases and decreases in interest income and interest expense result from changes in average balances (volume) of interest-earning assets and interest-bearing liabilities, as well as changes in average interest rates. The following table shows the effect that these factors had on the interest earned on our interest-earning assets and the interest incurred on our interest-bearing liabilities. The effect of changes in volume is determined by multiplying the change in volume by the previous period's average yield/cost. Similarly, the effect of

rate changes is calculated by multiplying the change in average yield/cost by the previous period's volume. Changes attributable to both volume and rate have been allocated proportionately.

\$ in millions	Nine months ended June 30, 2023 compared to 2022							
	Increase/(decrease) due to							
	Volume	Rate	Total					
Interest-earning assets:								
Bank segment:								
Cash and cash equivalents	\$ 12	\$ 111	\$ 123					
Available-for-sale securities	19	60	79					
Loans held for sale and investment:								
Loans held for investment:								
SBL	215	350	565					
C&I loans	53	317	370					
CRE loans	122	171	293					
REIT loans	10	49	59					
Residential mortgage loans	47	20	67					
Tax-exempt loans	7	(1)	6					
Loans held for sale	(3)	7	4					
Total loans held for sale and investment	451	913	1,364					
All other interest-earning assets	—	3	3					
Interest-earning assets — Bank segment	\$ 482	\$ 1,087	\$ 1,569					
All other segments:								
Cash and cash equivalents	\$ (4)	\$ 104	\$ 100					
Assets segregated for regulatory purposes and restricted cash	(61)	174	113					
Trading assets — debt securities	22	5	27					
Brokerage client receivables	(14)	72	58					
All other interest-earning assets	(1)	22	21					
Interest-earning assets — all other segments	\$ (58)	\$ 377	\$ 319					
Total interest-earning assets	\$ 424	\$ 1,464	\$ 1,888					
Interest-bearing liabilities:								
Bank segment:								
Bank deposits:								
Money market and savings accounts	\$ 4	\$ 367	\$ 371					
Interest-bearing demand deposits	192	64	256					
Certificates of deposit	25	19	44					
Total bank deposits	221	450	671					
FHLB advances and all other interest-bearing liabilities	9	7	16					
Interest-bearing liabilities — Bank segment	\$ 230	\$ 457	\$ 687					
All other segments:								
Trading liabilities — debt securities	\$ 16	\$ 7	\$ 23					
Brokerage client payables	(5)	58	53					
All other interest-bearing liabilities	21	(8)	13					
Interest-bearing liabilities — all other segments	\$ 32	\$ 57	\$ 89					
Total interest-bearing liabilities	\$ 262	\$ 514	\$ 776					
Change in firmwide net interest income	\$ 162	\$ 950	\$ 1,112					

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RESULTS OF OPERATIONS – PRIVATE CLIENT GROUP

For an overview of our PCG segment operations, as well as a description of the key factors impacting our PCG results of operations, refer to the information presented in "Item 1 - Business" and "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2022 Form 10-K.

Operating results

\$ in millions	\$ in millions	Three months ended June 30,			Nine months ended June 30,			
		2023	2022	% change	2023	2022	% change	
\$ in millions								
\$ in millions								
Revenues:								
Revenues:								
Revenues:	Revenues:							
Asset management and related administrative fees	Asset management and related administrative fees	\$ 1,164	\$ 1,214	(4) %	\$ 3,319	\$ 3,621	(8) %	
Asset management and related administrative fees	Asset management and related administrative fees							
Brokerage revenues:	Brokerage revenues:							
Brokerage revenues:	Brokerage revenues:							
Mutual and other fund products	Mutual and other fund products	135	149	(9) %	398	486	(18) %	
Mutual and other fund products	Mutual and other fund products							
Insurance and annuity products	Insurance and annuity products							
Insurance and annuity products	Insurance and annuity products	103	109	(6) %	320	330	(3) %	
Equities, ETFs and fixed income products	Equities, ETFs and fixed income products	111	115	(3) %	340	351	(3) %	
Equities, ETFs and fixed income products	Equities, ETFs and fixed income products							
RJBDP fees:	RJBDP fees:							
RJBDP fees:	RJBDP fees:							
Bank segment	Bank segment	277	79	251 %	856	178	381 %	
Third-party banks	Third-party banks	107	56	91 %	344	93	270 %	
Third-party banks	Third-party banks							
Client account and other fees	Client account and other fees							
Client account and other fees	Client account and other fees							
Client account and other fees	Client account and other fees	59	59	— %	175	161	9 %	
Total account and service fees	Total account and service fees	546	296	84 %	1,681	757	122 %	
Total account and service fees	Total account and service fees							
Total account and service fees	Total account and service fees							
Investment banking	Investment banking	9	6	50 %	27	28	(4) %	
Investment banking	Investment banking							

Interest income	Interest income	114	68	68	%	340	138	146	%
Interest income									
Interest income									
All other									
All other									
All other	All other	25	11	127	%	40	24	67	%
Total revenues	Total revenues	2,207	1,968	12	%	6,465	5,735	13	%
Total revenues									
Total revenues									
Interest expense	Interest expense	(25)	(10)	150	%	(76)	(16)	375	%
Net revenues	Net revenues	2,182	1,958	11	%	6,389	5,719	12	%
Net revenues									
Net revenues									
Non-interest expenses:									
Non-interest expenses:									
Non-interest expenses:	Non-interest expenses:								
Financial advisor compensation and benefits	Financial advisor compensation and benefits	1,151	1,187	(3)	%	3,344	3,605	(7)	%
Financial advisor compensation and benefits	Financial advisor compensation and benefits								
Administrative compensation and benefits	Administrative compensation and benefits								
Administrative compensation and benefits	Administrative compensation and benefits								
Administrative compensation and benefits	Administrative compensation and benefits	355	306	16	%	1,042	878	19	%
Total compensation, commissions and benefits	Total compensation, commissions and benefits	1,506	1,493	1	%	4,386	4,483	(2)	%
Total compensation, commissions and benefits	Total compensation, commissions and benefits								
Non-compensation expenses:									
Non-compensation expenses:									
Non-compensation expenses:	Non-compensation expenses:								
Communications and information processing	Communications and information processing	94	86	9	%	283	241	17	%
Communications and information processing	Communications and information processing								
Occupancy and equipment	Occupancy and equipment								
Occupancy and equipment	Occupancy and equipment								
Occupancy and equipment	Occupancy and equipment	53	50	6	%	157	146	8	%
Business development	Business development	43	39	10	%	113	91	24	%
Business development	Business development								
Professional fees	Professional fees								
Professional fees	Professional fees	17	19	(11)	%	47	41	15	%
All other	All other	58	20	190	%	117	58	102	%
All other	All other								
Total non-compensation expenses									
Total non-compensation expenses									
Total non-compensation expenses	Total non-compensation expenses								
Total non-compensation expenses	Total non-compensation expenses	265	214	24	%	717	577	24	%
Total non-interest expenses	Total non-interest expenses	1,771	1,707	4	%	5,103	5,060	1	%
Total non-interest expenses									

Total non-interest expenses									
Pre-tax income	Pre-tax income	\$ <u><u>411</u></u>	\$ <u><u>251</u></u>	64	%	\$ <u><u>1,286</u></u>	\$ <u><u>659</u></u>	95	%
Pre-tax income									
Pre-tax income									

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Selected key metrics

PCG client asset balances

As of									
As of									
As of									
\$ in billions	\$ in billions	June 30, 2023	March 31, 2023	September 30, 2022	June 30, 2022	March 31, 2022		September 30, 2021	
Assets under administration ("AUA") ⁽¹⁾		\$ 1,227.0	\$ 1,171.1	\$ 1,039.0	\$ 1,068.8	\$ 1,198.3		\$ 1,115.4	
Assets in fee-based accounts ⁽¹⁾ ⁽²⁾		\$ 697.0	\$ 666.3	\$ 586.0	\$ 606.7	\$ 678.0		\$ 627.1	
Assets under administration ("AUA")									
Assets under administration ("AUA")									
Assets under administration ("AUA")									
Registered Investment Advisor ("RIA") & Custody Services ("RCS") AUA ⁽¹⁾									
Registered Investment Advisor ("RIA") & Custody Services ("RCS") AUA ⁽¹⁾									
Registered Investment Advisor ("RIA") & Custody Services ("RCS") AUA ⁽¹⁾									
Assets in fee-based accounts ⁽²⁾									
Assets in fee-based accounts ⁽²⁾									
Assets in fee-based accounts ⁽²⁾									
RCS assets in fee-based accounts ⁽¹⁾									
RCS assets in fee-based accounts ⁽¹⁾									
RCS assets in fee-based accounts ⁽¹⁾									
Percent of AUA in fee-based accounts ⁽¹⁾	Percent of AUA in fee-based accounts	56.8 %	56.9 %	56.4 %	56.8 %	56.6 %		56.2 %	
Percent of AUA in fee-based accounts	Percent of AUA in fee-based accounts								
Percent of AUA in fee-based accounts	Percent of AUA in fee-based accounts								

(1) Includes Represents assets associated with firms affiliated with us through our Registered Investment Advisor & Custody Services ("RCS") RCS division, of \$130.5 billion as of June 30, 2023, \$123.5 billion as of March 31, 2023, \$108.5 billion as of September 30, 2022, \$109.7 billion as of June 30, 2022, \$99.2 billion as of March 31, 2022, which are included in AUA and \$92.7 billion as of September 30, 2021. Of these amounts, \$109.9 billion as of June 30, 2023, \$103.6 billion as of March 31, 2023, \$89.9 billion as of September 30, 2022, \$90.3 billion as of June 30, 2022, \$84.0 billion as of March 31, 2022, and \$77.2 billion as of September 30, 2021 were assets in fee-based assets accounts. Based on the nature of the services provided to such firms, revenues related to these assets are included in "Account and service fees."

(2) A portion of our "Assets in fee-based accounts" is invested in "managed programs" overseen by our Asset Management segment, specifically our Asset Management Services division of RJ&A ("AMS"). These assets are included in our financial assets under management as disclosed in the "Selected key metrics" section of our "Management's Discussion and Analysis - Results of Operations - Asset Management."

PCG net new assets

\$ in millions	Three months ended June 30,		Nine months ended June 30,	
	2023	2022	2023	2022
Domestic Private Client Group net new assets ^{(1) (2)}	\$ 14,386	\$ 14,663	\$ 59,085	\$ 74,857
Domestic Private Client Group net new assets growth - annualized ⁽³⁾	5.4 %	5.4 %	8.3 %	9.5 %
Three months ended December 31,				
\$ in millions			2023	2022
			\$ 21,575	\$ 23,226
Domestic Private Client Group net new assets ⁽¹⁾			7.8 %	9.8 %
Domestic Private Client Group net new assets growth - annualized ⁽²⁾				

- (1) Domestic Private Client Group net new assets represents domestic Private Client Group client inflows, including dividends and interest, less domestic Private Client Group client outflows, including commissions, advisory fees and other fees.
- (2) This metric includes the impact of the departure of approximately \$4.6 billion of assets under administration related to the portion of advisors previously associated through a single relationship in our independent contractors division whose affiliation with the firm ended in the fiscal third quarter of 2023.
- (3) The Domestic Private Client Group net new asset growth - annualized percentage is based on the beginning Domestic Private Client Group AUA balance for the indicated period.

PCG AUA and PCG assets in fee-based accounts as of **June 30, 2023** **December 31, 2023** each increased **5% 9%** compared with **March 31, 2023** **September 30, 2023**, increased **18%** and **19%**, respectively, compared with **September 30, 2022**, and each increased **15%** compared with **June 30, 2022** due to **net equity** market appreciation and strong net inflows of client assets during the period, quarter, primarily due to the favorable impact of our recruiting. We expect that the 5% increase in PCG fee-based assets as of **June 30, 2023** compared with **March 31, 2023** will positively impact our asset management and related administrative fees for our fiscal fourth quarter of 2023. PCG assets in fee-based accounts continued to be a significant percentage of overall PCG AUA due to many clients' preference for fee-based alternatives versus transaction-based accounts and, as a result, a significant portion of our PCG revenues is more directly impacted by market movements.

Fee-based accounts within our PCG segment are comprised of a wide array of products and programs that we offer our clients. The majority of assets in fee-based accounts within our PCG segment are invested in programs for which our financial advisors provide investment advisory services, either on a discretionary or non-discretionary basis. Administrative services for such accounts (e.g., record-keeping) are generally performed by our Asset Management segment and, as a result, a portion of the related revenue is shared with the Asset Management segment.

We also offer our clients fee-based accounts that are invested in "managed programs" overseen by AMS, which is part of our Asset Management segment. Fee-billable assets invested in managed programs are included in both "Assets in fee-based accounts" in the preceding table and "Financial assets under management" in the Asset Management segment. Revenues related to managed programs are shared by our PCG and Asset Management segments. The Asset Management segment receives a higher portion of the revenues related to accounts invested in managed programs, as compared to the portion received for non-managed programs, for which our financial advisors provide investment advisory services, as it is performing portfolio management services in addition to administrative services.

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The vast majority of the revenues we earn from fee-based accounts are recorded in "Asset management and related administrative fees" on our Condensed Consolidated Statements of Income and Comprehensive Income. Fees received from such accounts are based on the value of client assets in fee-based accounts and vary based on the specific account types in which the client invests and the level of assets in the client relationship. As fees for the majority of such accounts are billed based on balances as of the beginning of the quarter, revenues from fee-based accounts may not be immediately affected by changes in asset values, but rather the impacts are seen in the following quarter.

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Financial advisors

Employees	Employees	March	September	June	March	September	December	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	
		June 30,	31,	30,	30,	31,							
		2023	2023	2022	2022	2022							
Employees	Employees	3,654	3,628	3,638	3,615	3,601	3,461	2023	2023	2023	2023	2023	2022
Independent contractors ⁽¹⁾	Independent contractors ⁽¹⁾	5,050	5,098	5,043	5,001	5,129	5,021						
Total advisors	Total advisors	8,704	8,726	8,681	8,616	8,730	8,482						

(1) Includes the impact of the transfer of one firm with 166 financial advisors previously affiliated as independent contractors to our RCS division during our fiscal third quarter of 2022 and the impact of the departure of 60 financial advisors, representing the portion of advisors previously associated through a single relationship in our independent contractors division whose affiliation with the firm ended in the fiscal third quarter of 2023.

The number of financial advisors as of **June 30, 2023** **December 31, 2023** decreased slightly compared with **March 31, 2023**, primarily due to the impact of an independent contractor relationship whose affiliation with the firm ended in our fiscal third quarter. The number of financial advisors as of June 30, 2023 increased compared with **September 30, 2022** **September 30, 2023**, as the number planned retirements drove a small net decrease in advisor count, net of new recruits and trainees that were moved into production roles exceeded the number of financial advisors who left the firm, including planned roles. Planned retirements, where assets are generally retained at the firm pursuant to advisor succession plans. The recruiting pipeline remains solid across our affiliation options; however, plans are seasonally higher in the timing of financial advisors joining the firm fiscal first quarter. We have and may be impacted by market uncertainty. We expect to continue to experience transfers to our RCS division in fiscal **2023, 2024**; however, consistent with our experience in fiscal **2022, 2023**, we do not expect these financial advisor transfers to significantly impact our results of operations. Advisors in our RCS division are not included in our financial advisor metric although their client assets are included in PCG AUA.

Clients' domestic cash sweep balances and Enhanced Savings Program ESP balances

		As of						As of									
		March			September			March		September			December 31,	September 30,	June 30,	March 31,	December 31,
\$ in millions	\$ in millions	June 30, 2023	31, 2023	September 30, 2022	June 30, 2022	31, 2022	September 30, 2021	\$ in millions	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022				
RJBDP:	RJBDP:																
Bank segment																	
Bank segment	Bank segment	\$27,915	\$37,682	\$ 38,705	\$36,646	\$33,570	\$ 31,410										
Third-party banks	Third-party banks	16,923	9,408	21,964	25,478	25,887	24,496										
Subtotal	Subtotal																
RJBDP	RJBDP	44,838	47,090	60,669	62,124	59,457	55,906										
Client Interest	Client Interest																
Program ("CIP")	Program ("CIP")	1,915	2,385	6,445	13,717	17,013	10,762										
Total clients' domestic cash sweep balances	Total clients' domestic cash sweep balances	46,753	49,475	67,114	75,841	76,470	66,668										
Enhanced Savings Program (1)	Enhanced Savings Program (1)	11,225	2,746	—	—	—	—										
Total clients' domestic cash sweep and Enhanced Savings Program balances		\$57,978	\$52,221	\$ 67,114	\$75,841	\$76,470	\$ 66,668										
ESP (1)																	
Total clients' domestic cash sweep and ESP balances																	

(1) In March 2023, we launched our Enhanced Savings Program, **ESP**, in which Private Client Group clients may deposit cash in a high-yield Raymond James Bank account. These balances are reflected in Bank deposits on our Condensed Consolidated Statements of Financial Condition.

	Three months ended June 30,		Nine months ended June 30,	
	2023	2022	2023	2022
Average yield on RJBDP - third-party banks	3.37 %	0.88 %	3.05 %	0.50 %
	Three months ended December 31,		Nine months ended December 31,	
	2023	2022	2023	2022
Average yield on RJBDP - third-party banks	3.66 %	2.72 %		

A significant portion of our domestic clients' cash is included in the RJBDP, a multi-bank sweep program in which clients' cash deposits in their brokerage accounts are swept into interest-bearing deposit accounts at either Raymond James Bank or TriState Capital Bank, of our bank subsidiaries, which are included in our Bank segment, or various third-party banks. Such balances swept to third-party banks are not reflected on our Condensed Consolidated Statements of Financial Condition. Our PCG segment earns servicing fees for the administrative services we provide related to our clients' deposits that are swept to such banks as part of the RJBDP. These servicing fees are variable in nature and fluctuate based on client cash balances in the program, as well as the level of short-term interest rates and the interest paid to clients on balances in the RJBDP. Under our intersegment policies, the PCG segment receives the greater of a base servicing fee or a net yield equivalent to the average yield that the firm would otherwise receive from third-party banks in the RJBDP. In the current interest-rate environment, the PCG segment revenues

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throughout fiscal 2023 reflect RJBDP fee revenues derived from the yield from third-party banks in the program and the Bank segment RJBDP servicing costs reflect such market rate for the deposits. In fiscal 2022, the PCG segment revenues reflected the base servicing fee until May 2022, when the yield from third-party banks first exceeded such level. The fees that the PCG segment earns from the Bank segment, as well as the servicing costs incurred on the deposits in the Bank segment, are eliminated in consolidation.

The "Average yield on RJBDP - third-party banks" in the preceding table is computed by dividing annualized RJBDP fees from third-party banks, which are net of the interest expense paid to clients by the third-party banks, by the average daily RJBDP balance at third-party banks. The average yield on RJBDP - third-party banks increased from the prior year periods quarter, largely as a result of the significant increases in the Fed's short-term benchmark interest rate, which began in March 2022. We expect an increase in our RJBDP fees from third-party banks in our fiscal fourth quarter of 2023 compared with our fiscal third quarter of 2023 due to higher average balances held at third-party banks in the program resulting in part from additional funding flexibility the Enhanced Savings Program provides us, as well as the recent increases in short-term interest rates including the 25-basis point increase in July 2023, rate.

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Total client domestic cash sweep and Enhanced Savings Program balances increased 11% compared with March 31, 2023 September 30, 2023, due to growth of Enhanced Savings Program balances at Raymond James Bank which more than offset a decline in domestic both the ESP as well as client cash sweep balances largely due to quarterly fee billings and client tax payments in April 2023. Total client domestic cash sweep and Enhanced Savings Program balances decreased 14% compared with September 30, 2022, as a result of cash sorting activity given the higher short-term interest rate environment, partially offset by the launch of the Enhanced Savings Program in March 2023, which resulted in \$11.2 billion of client cash balances as of June 30, 2023. PCG segment results can be impacted by not only changes in the level of client cash balances, but also by the allocation of client cash balances between the RJBDP, the CIP, and the Enhanced Savings Program, as the PCG segment may earn different amounts from each of these client cash destinations, depending on multiple factors. For example, continued growth in the ESP, which was launched to PCG clients in March 2023, has allowed us to sweep more RJBDP balances to third-party banks and reduce the amount of RJBDP balances held in our Bank segment.

Quarter ended **June 30, 2023** December 31, 2023 compared with the quarter ended **June 30, 2022** December 31, 2022

Net revenues of \$2.18 billion \$2.23 billion increased 11% 8% and pre-tax income of \$411 million \$439 million increased 64% 1%.

Asset management and related administrative fees decreased \$50 million increased \$138 million, or 4% 13%, primarily due to lower higher assets in fee-based accounts at the beginning of the current quarter compared with the prior-year quarter primarily due to declines in the equity market, resulting from growth as a result of advisor recruiting as well as market appreciation.

Brokerage revenues decreased \$24 million increased \$37 million, or 6% 11%, primarily due to lower trailing revenues from mutual and other fund products and variable annuity products, primarily resulting from market-driven declines higher client activity in asset values for products for which we receive trails. the current quarter, particularly in fixed annuities.

Account and service fees increased \$250 million decreased \$17 million, or 84% 3%, primarily due to higher a decrease in RJBDP fees resulting from both lower client cash sweep balances. RJBDP fees paid to PCG from our Bank segment and third-party banks resulting from significantly higher short-term interest rates compared with the prior-year quarter, decreased due to a decline in balances allocated to our Bank segment partially offset by lower average balances.

Net interest income increased \$31 million, or 53%, due to the an increase in short-term interest rates, applicable to our cash, segregated cash, and client margin account balances, while RJBDP fees from third-party banks increased slightly resulting from the aforementioned increase in short-term interest rates, partially offset by lower average a decrease in RJBDP balances.

Other revenues increased \$14 million, or 127%, primarily due to a favorable arbitration award during Partially offsetting the fiscal third quarter of 2023. The benefit of this award was largely offset by associated compensation expenses and external legal decline in total RJBDP fees, incurred over the duration of the claim period, a portion of which was incurred during the fiscal third quarter of 2023.

Compensation-related expenses increased \$13 million, or 1%, primarily due to an increase in compensation costs to support our growth and annual salary increases, partially offset by lower commission expense resulting from lower compensable revenues, including asset management and related administrative fees and brokerage revenues.

Non-compensation expenses increased \$51 million, or 24%, primarily driven by higher provisions for legal and regulatory matters and, to a lesser extent, higher communications and information processing expenses.

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Nine months ended June 30, 2023 compared with the nine months ended June 30, 2022

Net revenues of \$6.39 billion increased 12% and pre-tax income of \$1.29 billion increased 95%.

Asset management and related administrative fees decreased \$302 million, or 8%, primarily due to lower assets in fee-based accounts at the beginning of each of the current-year quarterly billing periods compared with the prior-year quarterly billing periods, partially offset by incremental revenues arising from the acquisition of Charles Stanley.

Brokerage revenues decreased \$109 million, or 9%, primarily due to lower trailing revenues from mutual fund and annuity products primarily resulting from market-driven declines in asset values for products for which we receive trails, as well as lower sales of equity products, mutual and other fund products, variable annuities, and insurance products. These decreases were partially offset by higher fixed annuity and fixed income product sales.

Account and service fees increased, \$924 million, or 122%, primarily due to an increase in RJBDP fees from both our Bank segment and third-party banks resulting from significantly higher short-term interest rates compared with the prior-year period. Mutual fund service fees decreased primarily due to market-driven declines in average mutual fund assets.

Net interest income increased \$142 million \$5 million, or 116% 6%, primarily due to the significant increase in short-term interest rates applicable to our cash, segregated cash, and client margin account balances.

Other revenues Compensation-related expenses increased \$16 million \$152 million, or 67% 11%, primarily due to the aforementioned favorable arbitration award during the fiscal third quarter of 2023. The benefit of this award was largely offset by associated compensation expenses and external legal fees incurred over the duration of the claim period, a portion of which was incurred during fiscal 2023.

Compensation-related expenses decreased \$97 million, or 2%, primarily due to lower higher commission expense resulting from lower higher compensable revenues, including asset management and related administrative fees and brokerage revenues, partially offset by as well as an increase in compensation costs both to support our growth and annual salary cost increases, and incremental expenses resulting from our acquisition of Charles Stanley, including salaries.

Non-compensation expenses increased \$140 million \$6 million, or 24% 3%, due to higher provisions for legal and regulatory matters, incremental expenses resulting from our acquisition of Charles Stanley, higher communications and information processing expenses, primarily due to ongoing enhancements occupancy expenses, and business development expenses, partially offset by the impact of our technology platforms, lower provisions for legal and increases in travel and event-related expenses compared with the low levels incurred in the prior-year period.

regulatory matters.

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RESULTS OF OPERATIONS – CAPITAL MARKETS

For an overview of our Capital Markets segment operations, as well as a description of the key factors impacting our Capital Markets results of operations, refer to the information presented in "Item 1 - Business" and "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2022 2023 Form 10-K.

Operating results

\$ in millions	\$ in millions	Three months ended June 30,			Nine months ended June 30,			
		2023	2022	% change	2023	2022	% change	
\$ in millions								
\$ in millions								
Revenues:								
Revenues:								
Brokerage revenues:								
Brokerage revenues:								
Brokerage revenues:								
Fixed income								
Fixed income								
Fixed income	Fixed income	\$ 78	\$ 107	(27) %	\$ 274	\$ 352	(22) %	
Equity	Equity	32	32	— %	100	112	(11) %	

Equity								
Equity								
Total brokerage revenues								
Total brokerage revenues								
Total brokerage revenues	Total brokerage revenues	110	139	(21)	%	374	464	(19) %
Investment banking:	Investment banking:							
Investment banking:								
Investment banking:								
Merger & acquisition and advisory	Merger & acquisition and advisory	88	147	(40)	%	277	557	(50) %
Equity underwriting	Equity underwriting	25	36	(31)	%	69	185	(63) %
Equity underwriting								
Equity underwriting								
Debt underwriting								
Debt underwriting	Debt underwriting	28	34	(18)	%	73	113	(35) %
Total investment banking	Total investment banking	141	217	(35)	%	419	855	(51) %
Total investment banking								
Total investment banking								
Interest income								
Interest income	Interest income	21	6	250	%	65	16	306 %
Affordable housing investments business revenues	Affordable housing investments business revenues	21	21	—	%	68	71	(4) %
Affordable housing investments business revenues								
All other								
All other	All other	4	3	33	%	11	12	(8) %
Total revenues	Total revenues	297	386	(23)	%	937	1,418	(34) %
Total revenues								
Total revenues								
Interest expense								
Interest expense	Interest expense	(21)	(3)	600	%	(64)	(8)	700 %
Net revenues	Net revenues	276	383	(28)	%	873	1,410	(38) %
Net revenues								
Net revenues								
Non-interest expenses:	Non-interest expenses:							
Non-interest expenses:								
Non-interest expenses:	Non-interest expenses:							
Compensation, commissions and benefits	Compensation, commissions and benefits	220	243	(9)	%	664	827	(20) %
Compensation, commissions and benefits								
Compensation, commissions and benefits								
Non-compensation expenses:								
Non-compensation expenses:	Non-compensation expenses:							
Non-compensation expenses:	Non-compensation expenses:							
Communications and information processing	Communications and information processing	27	22	23	%	77	66	17 %
Communications and information processing								
Communications and information processing								
Occupancy and equipment								
Occupancy and equipment								

Occupancy and equipment	Occupancy and equipment	10	10	—	%	31	29	7	%
Business development	Business development	14	12	17	%	46	29	59	%
Business development									
Business development									
Professional fees	Professional fees	12	10	20	%	39	31	26	%
All other	All other	27	25	8	%	100	79	27	%
All other									
All other									
Total non-compensation expenses									
Total non-compensation expenses									
Total non-compensation expenses	Total non-compensation expenses	90	79	14	%	293	234	25	%
Total non-interest expenses	Total non-interest expenses	310	322	(4)	%	957	1,061	(10)	%
Total non-interest expenses									
Total non-interest expenses									
Pre-tax income/(loss)	Pre-tax income/(loss)	\$ (34)	\$ 61	NM		\$ (84)	\$ 349	NM	
Pre-tax income/(loss)									
Pre-tax income/(loss)									

Quarter ended **June 30, 2023** December 31, 2023 compared with the quarter ended **June 30, 2022** December 31, 2022

Net revenues of \$276 million decreased 28% \$338 million increased 15% and the pre-tax income was \$3 million, a \$19 million increase over the pre-tax loss was \$34 million compared with pre-tax income of \$61 million for \$16 million in the prior-year quarter.

Investment banking revenues decreased \$76 million increased \$37 million, or 35% 28%, as activity levels in compared with the current quarter were negatively impacted by macroeconomic uncertainties which continue to dampen capital markets activity across prior-year quarter. Market conditions improved compared with the industry. Our investment banking pipeline remains healthy and reflects the investments we have made over the past several years; prior-year quarter; however, market uncertainty continues to impact the pace and timing of transactions, and we expect such uncertainty to continue continued to negatively impact our industry-wide investment banking activity in our fiscal fourth quarter of 2023. activity.

Brokerage revenues decreased \$29 million Compensation-related expenses increased \$25 million, or 21% 12%, primarily due to a decrease the increase in fixed income brokerage revenues, resulting from as well as an increase in compensation costs both to support our growth and annual cost increases, including salaries.

Non-compensation expenses decreased activity from depository institution clients due to challenging market conditions, partially offset by incremental revenues from SumRidge Partners, which was acquired on July 1, 2022 \$1 million, or 1%. We expect our fixed income brokerage revenues to continue to be negatively impacted by a decline in cash balances at many of our depository institution clients, decreasing their immediate demand for our products and services.

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Compensation-related expenses decreased \$23 million, or 9%, due to lower revenues, partially offset by incremental compensation expenses arising from growth investments, including our acquisition of SumRidge Partners in July 2022, as well as higher share-based compensation amortization resulting from production-related awards granted in prior periods which are amortized over the vesting period.

Non-compensation expenses increased \$11 million, or 14%, primarily attributable to incremental expenses associated with SumRidge Partners.

Nine months ended June 30, 2023 compared with the nine months ended June 30, 2022

Net revenues of \$873 million decreased 38% and the pre-tax loss was \$84 million compared with pre-tax income of \$349 million for the prior-year period.

Investment banking revenues decreased \$436 million, or 51%, compared with a strong prior-year period, as activity levels were negatively impacted in the current-year period by very different market conditions compared with the prior-year period, resulting from the aforementioned macroeconomic uncertainties impacting the industry.

Brokerage revenues decreased \$90 million, or 19%, primarily due to a decrease in fixed income brokerage revenues as a result of the aforementioned challenging market conditions, partially offset by incremental revenues from SumRidge Partners.

Compensation-related expenses decreased \$163 million, or 20%, primarily due to the decrease in revenues, partially offset by incremental expenses associated with growth investments, including our acquisition of SumRidge Partners, higher salaries, in part due to inflationary and market compensation pressures, and higher share-based compensation

amortization resulting from production-related awards granted in prior periods which are amortized over the vesting period.

Non-compensation expenses increased \$59 million, or 25%, primarily due to incremental expenses associated with SumRidge Partners, increased travel and event-related expenses, and higher professional fees and provisions for legal and regulatory matters compared with the prior-year period.

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RESULTS OF OPERATIONS – ASSET MANAGEMENT

For an overview of our Asset Management segment operations as well as a description of the key factors impacting our Asset Management results of operations, refer to the information presented in "Item 1 - Business" and "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations" of our [2022 2023](#) Form 10-K.

Operating results

\$ in millions	\$ in millions	Three months ended June 30,			Nine months ended June 30,			
		2023	2022	% change	2023	2022	% change	
\$ in millions								
Revenues:								
Revenues:								
Revenues:	Revenues:							
Asset management and related administrative fees:	Asset management and related administrative fees:							
Asset management and related administrative fees:	Asset management and related administrative fees:							
Asset management and related administrative fees:	Asset management and related administrative fees:							
Managed programs	Managed programs	\$ 146	\$ 145	1 %	\$ 420	\$ 445	(6) %	
Administration and other	Administration and other	71	75	(5) %	200	228	(12) %	
Administration and other	Administration and other							
Administration and other	Administration and other							
Total asset management and related administrative fees:	Total asset management and related administrative fees:							
Total asset management and related administrative fees:	Total asset management and related administrative fees:							
Total asset management and related administrative fees:	Total asset management and related administrative fees:							
Total asset management and related administrative fees:	Total asset management and related administrative fees:	217	220	(1) %	620	673	(8) %	
Account and service fees	Account and service fees	5	5	— %	16	17	(6) %	
Account and service fees	Account and service fees							
Account and service fees	Account and service fees							
All other	All other							
All other	All other							
All other	All other	4	3	33 %	13	8	63 %	
Net revenues	Net revenues	226	228	(1) %	649	698	(7) %	
Net revenues	Net revenues							
Net revenues	Net revenues							
Non-interest expenses:	Non-interest expenses:							
Non-interest expenses:	Non-interest expenses:							
Non-interest expenses:	Non-interest expenses:							
Compensation, commissions and benefits	Compensation, commissions and benefits	51	49	4 %	150	142	6 %	
Compensation, commissions and benefits	Compensation, commissions and benefits							
Compensation, commissions and benefits	Compensation, commissions and benefits							
Compensation, commissions and benefits	Compensation, commissions and benefits							

Non-compensation expenses:									
Non-compensation expenses:									
Non-compensation expenses:	Non-compensation expenses:								
Communications and information processing	Communications and information processing	15	13	15	%	43	39	10	%
Communications and information processing	Communications and information processing								
Investment sub-advisory fees	Investment sub-advisory fees								
Investment sub-advisory fees	Investment sub-advisory fees	39	38	3	%	107	114	(6)	%
All other	All other	32	35	(9)	%	98	100	(2)	%
All other	All other								
Total non-compensation expenses									
Total non-compensation expenses									
Total non-compensation expenses	Total non-compensation expenses	86	86	—	%	248	253	(2)	%
Total non-interest expenses	Total non-interest expenses	137	135	1	%	398	395	1	%
Total non-interest expenses									
Total non-interest expenses									
Pre-tax income	Pre-tax income	\$ 89	\$ 93	(4)	%	\$ 251	\$ 303	(17)	%
Pre-tax income	Pre-tax income								

Selected key metrics

Managed programs

Management fees recorded in our Asset Management segment are generally calculated as a percentage of the value of our fee-billable financial assets under management ("AUM"). These AUM include the portion of fee-based AUA in our PCG segment that is invested in programs overseen by our Asset Management segment (included in the "AMS" line of the following table), as well as retail accounts managed on behalf of third-party institutions, institutional accounts and **proprietary** mutual funds that we manage (collectively included in the "Raymond James Investment Management" line of the following table).

Revenues related to fee-based AUA in our PCG segment are shared by the PCG and Asset Management segments, the amount of which depends on whether or not clients are invested in assets that are in managed programs overseen by our Asset Management segment and the administrative services provided (see our "Management's Discussion and Analysis - Results of Operations - Private Client Group" for more information). Our AUM in AMS are impacted by market fluctuations and net inflows or outflows of assets, including transfers between fee-based accounts and transaction-based accounts within our PCG segment.

Revenues earned by **Raymond James Investment Management** for retail accounts managed on behalf of third-party institutions, institutional accounts and our **proprietary** mutual funds are recorded entirely in the Asset Management segment. Our AUM in **Raymond James Investment Management** are impacted by market and investment performance and net inflows or outflows of assets.

Fees for our managed programs are generally collected quarterly. Approximately **65%** **70%** of these fees are based on balances as of the beginning of the quarter (primarily in AMS), approximately 15% are based on balances as of the end of the quarter, and approximately **20%** **15%** are based on average daily balances throughout the quarter.

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Financial assets under management

\$ in billions	\$ in billions	June 30, 2023	March 31, 2023	September 30, 2022	June 30, 2022	March 31, 2022	September 30, 2021
\$ in billions							
\$ in billions							
AMS (1)	AMS (1)	\$ 142.3	\$ 136.5	\$ 119.8	\$ 125.4	\$ 140.1	\$ 134.4
Raymond James Investment Management	Raymond James Investment Management	70.2	69.4	64.2	67.2	64.0	67.8

AMS (1)							
AMS (1)							
RJIM							
RJIM							
RJIM							
Subtotal financial assets under management	Subtotal financial assets under management	212.5	205.9	184.0	192.6	204.1	202.2
Less: Assets managed for affiliated entities		(11.8)	(11.5)	(10.2)	(10.2)	(10.4)	(10.3)
Subtotal financial assets under management							
Subtotal financial assets under management							
Less: Assets managed for affiliated entities (2)							
Less: Assets managed for affiliated entities (2)							
Less: Assets managed for affiliated entities (2)							
Total financial assets under management	Total financial assets under management	\$ 200.7	\$ 194.4	\$ 173.8	\$ 182.4	\$ 193.7	\$ 191.9
Total financial assets under management							
Total financial assets under management							

(1) Represents the portion of our PCG segment fee-based AUA (as disclosed in "Assets in fee-based accounts" in the "Selected key metrics - PCG client asset balances" section of our "Management's Discussion and Analysis - Results of Operations - Private Client Group") that is invested in managed programs overseen by the Asset Management segment.

(2) Represents the portion of the AMS AUM that is managed by RJIM and, as a result, are included in both AMS and RJIM in the preceding table. This amount is removed in the calculation of "Total financial assets under management."

Activity (including activity in assets managed for affiliated entities)

\$ in billions	Three months ended June 30,		Nine months ended June 30,	
	2023	2022	2023	2022
Financial assets under management at beginning of period	\$ 205.9	\$ 204.1	\$ 184.0	\$ 202.2
Acquisition of Chartwell Investment Partners (1)	—	9.8	—	9.8
Raymond James Investment Management - net inflows/(outflows)	(0.4)	0.3	1.3	(0.9)
AMS - net inflows	0.8	1.4	3.5	8.4
Net market appreciation/(depreciation) in asset values	6.2	(23.0)	23.7	(26.9)
Financial assets under management at end of period	\$ 212.5	\$ 192.6	\$ 212.5	\$ 192.6

(1) Represents June 1, 2022 assets under management of Chartwell Investment Partners, a registered investment advisor acquired as part of the TriState Capital acquisition. See Note 3 of the Notes to Consolidated Financial Statements of our 2022 Form 10-K for further information about this acquisition.

\$ in billions	Three months ended December 31,	
	2023	2022
Financial assets under management at beginning of period	\$ 207.9	\$ 184.0
RJIM - net inflows/(outflows)	(0.9)	0.5
AMS - net inflows	1.7	1.0
Net market appreciation in asset values	18.8	11.4
Financial assets under management at end of period	\$ 227.5	\$ 196.9

AMS

See "Management's Discussion and Analysis - Results of Operations - Private Client Group" for further information about our retail client assets, including those fee-based assets invested in programs managed by AMS.

Raymond James Investment Management RJIM

Assets managed by **Raymond James Investment Management** RJIM include assets managed by our subsidiaries: Eagle Asset Management, Scout Investments, Reams Asset Management (a division of Scout Investments), ClariVest Asset Management, Cougar Global Investments, and Chartwell Investment Partners ("Chartwell"), which was acquired on June 1, 2022 in connection with our acquisition of TriState Capital. The following table presents **Raymond James Investment Management's** RJIM's AUM by objective, excluding assets for which it does not exercise discretion, as well as the approximate average client fee rate earned on such assets.

		As of June 30, 2023	
		As of December 31, 2023	
		As of December 31, 2023	
		As of December 31, 2023	
\$ in billions			
\$ in billions			
\$ in billions	\$ in billions	AUM	Average fee rate
Equity	Equity	\$ 24.9	0.56 %
Equity			
Equity			
Fixed income			
Fixed income			
Fixed income	Fixed income	37.0	0.20 %
Balanced	Balanced	8.3	0.33 %
Balanced			
Balanced			
Total financial assets under management	Total financial assets under management	\$ 70.2	0.34 %
Total financial assets under management			
Total financial assets under management			

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Non-discretionary asset-based programs

The following table includes assets held in certain non-discretionary asset-based programs for which the Asset Management segment does not exercise discretion but provides other services such as administrative support (including for affiliated entities) and investment advice. The vast majority of these assets are also included in our PCG segment fee-based AUA (as disclosed in "Assets in fee-based accounts" in the "Selected key metrics - PCG client asset balances" section of our "Management's Discussion and Analysis - Results of Operations - Private Client Group").

\$ in billions	December 31, 2023		September 30, 2023		December 31, 2022		September 30, 2022	
	Total assets	\$ 431.4	Total assets	\$ 391.1	Total assets	\$ 355.6	Total assets	\$ 329.2
Total assets								

The increase in these assets as of December 31, 2023 compared with September 30, 2023 was primarily due to market appreciation, successful financial advisor recruiting and retention, and the continued trend of clients moving to fee-based accounts from transaction-based accounts. Administrative fees associated with these programs are predominantly based on balances at the beginning of the quarter.

\$ in billions	June 30, 2023		March 31, 2023		September 30, 2022		June 30, 2022		March 31, 2022		September 30, 2021	
	Total assets	\$ 399.2	Total assets	\$ 378.7	Total assets	\$ 329.2	Total assets	\$ 339.7	Total assets	\$ 379.7	Total assets	\$ 365.3
Total assets												

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The increase in assets as of June 30, 2023 compared with March 31, 2023, September 30, 2022, and June 30, 2022 was largely due to equity market appreciation and continued growth in the PCG segment.

Raymond James Trust

The following table includes assets held in asset-based programs in Raymond James Trust, N.A. (including those managed for affiliated entities).

	June	March	September	June	March	September
\$ in billions	2023	2023	2022	2022	2022	2021
	\$ 30.3	\$ 31.3	\$ 30.3	\$ 30.3	\$ 31.3	\$ 30.3

\$ in billions		December 31, 2023	September 30, 2023	December 31, 2022	September 30, 2022
\$ in billions	Total assets				
Total assets	\$8.6 \$ 8.2 \$ 7.3 \$ 7.6 \$ 8.4 \$ 8.1				

Fees earned on trust services are primarily reported within "Asset management and related administrative fees" on the Condensed Consolidated Statements of Income and Comprehensive Income.

Quarter ended **June 30, 2023** December 31, 2023 compared with the quarter ended **June 30, 2022** December 31, 2022

Net revenues of \$226 million decreased 1% \$235 million increased 14% and pre-tax income of \$89 million decreased 4% \$93 million increased 16%.

Asset management and related administrative fees decreased \$3 million increased \$27 million, or 1% 14%, driven by a lower higher beginning balance balances of assets in non-discretionary asset-based programs and financial assets under management at AMS, as well as lower higher average financial assets under management at Raymond James Investment Management (excluding Chartwell, which was acquired on June 1, 2022), RJIM, in each case primarily due to market-driven depreciation appreciation in asset values. These declines were partially offset by incremental revenues arising from the acquisition of Chartwell. We expect the increase in financial assets under management and assets in non-discretionary asset-based programs as of June 30, 2023 compared with March 31, 2023, which occurred due to equity market appreciation and net inflows during the quarter, to positively affect our fiscal fourth quarter of 2023, as the majority of our asset management and related administrative fees are billed based on balances as of the beginning of the quarter.

Compensation expenses increased \$2 million \$6 million, or 4% 13%, including an increase in compensation costs both to support our growth and annual cost increases, including salaries. Non-compensation expenses increased \$9 million, or 11%, largely due to incremental compensation expenses of Chartwell, and non-compensation expenses were flat compared with the prior-year quarter.

Nine months ended June 30, 2023 compared with the nine months ended June 30, 2022

Net revenues of \$649 million decreased 7% and pre-tax income of \$251 million decreased 17%.

Asset management and related administrative fees decreased \$53 million, or 8%, driven by lower assets in non-discretionary asset-based programs and financial assets under management at AMS at the beginning of each of the current-year quarterly billing periods compared with the prior-year quarterly billing periods, as well as lower average financial assets under management at Raymond James Investment Management (excluding Chartwell), in each case primarily due to market-driven depreciation in asset values. These declines were partially offset by incremental revenues of Chartwell.

Compensation expenses increased \$8 million, or 6%, due to incremental expenses resulting from the acquisition of Chartwell and higher salary expenses in part due to annual salary increases. Non-compensation expenses decreased \$5 million, or 2% due to lower investment sub-advisory fees, resulting from the decrease increase in the beginning balance of assets under management in sub-advised programs, and lower platform fees, partially offset by incremental expenses resulting from the Chartwell acquisition.

programs.

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RESULTS OF OPERATIONS – BANK

For an overview of our Bank segment operations, as well as a description of the key factors impacting our Bank segment results of operations, refer to the information presented in "Item 1 - Business" and "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations" of our **2022** 2023 Form 10-K. Our Bank segment results include the results of TriState Capital Bank since the acquisition date of June 1, 2022.

Operating results

		Three months ended June 30,	Nine months ended June 30,				
		Three months ended December 31,	Three months ended December 31,	Three months ended December 31,			
\$ in millions							
\$ in millions	\$ in millions	2023	2022	% change	2023	2022	% change
Revenues:	Revenues:						
Revenues:							

Revenues:									
Interest income									
Interest income									
Interest income	Interest income	\$ 826	\$ 296	179	%	\$ 2,251	\$ 682	230	%
Interest expense	Interest expense	(329)	(26)	1,165	%	(733)	(46)	1,493	%
Interest expense									
Interest expense									
Net interest income									
Net interest income									
Net interest income	Net interest income	497	270	84	%	1,518	636	139	%
All other	All other	17	6	183	%	44	20	120	%
All other	All other								
Net revenues									
Net revenues									
Net revenues	Net revenues	514	276	86	%	1,562	656	138	%
Non-interest expenses:	Non-interest expenses:								
Non-interest expenses:									
Non-interest expenses:									
Compensation and benefits	Compensation and benefits	48	21	129	%	136	48	183	%
Non-compensation expenses:	Non-compensation expenses:								
Non-compensation expenses:	Non-compensation expenses:								
Bank loan provision for credit losses	Bank loan provision for credit losses	54	56	(4)	%	96	66	45	%
Bank loan provision for credit losses									
Bank loan provision for credit losses									
RJBDP fees to PCG	RJBDP fees to PCG	277	79	251	%	856	178	381	%
All other	All other	69	46	50	%	181	105	72	%
All other	All other								
Total non-compensation expenses									
Total non-compensation expenses									
Total non-compensation expenses	Total non-compensation expenses	400	181	121	%	1,133	349	225	%
Total non-interest expenses	Total non-interest expenses	448	202	122	%	1,269	397	220	%
Total non-interest expenses									
Total non-interest expenses									
Pre-tax income	Pre-tax income	\$ 66	\$ 74	(11)	%	\$ 293	\$ 259	13	%
Pre-tax income	Pre-tax income								
Pre-tax income	Pre-tax income								

Quarter ended **June 30, 2023** December 31, 2023 compared with the quarter ended **June 30, 2022** December 31, 2022

Net revenues of \$514 million increased 86% \$441 million decreased 13%, while pre-tax income of \$66 million \$92 million decreased 11% 32%.

Net interest income increased \$227 million, or 84%, primarily due to increased interest expense resulting from a higher-cost mix of deposits, as balances from the significant ESP, which launched in March 2023, replaced a portion of lower-cost RJBDP cash sweep balances. The increase in interest expense was partially offset by an increase in interest income due to higher short-term interest rates and higher average interest-earning assets at Raymond James Bank, as well as incremental net interest income from asset balances during the June 1, 2022 acquisition of TriState Capital Bank. The increase in average interest-earning assets at Raymond James Bank was primarily driven by growth in the bank loan portfolio and higher average cash balances. These increases were partially offset by increased interest expense at Raymond James Bank as we pursue more diversified funding sources which have a higher relative cost, such as an increased emphasis on certificates of deposit and the Enhanced Savings Program launched to PCG clients in our fiscal second quarter of 2023, current quarter. The net interest margin increased to 3.26% from 2.41% for the prior-year quarter. We anticipate that the Bank segment net interest income and net interest margin will decline during our fiscal fourth quarter of 2023 due to the impact from the aforementioned higher-cost diversified funding sources.

The bank loan provision for credit losses was \$54 million for the current quarter, compared with \$56 million for the prior-year quarter. The current quarter bank loan provision for credit losses largely reflected the impacts of a weaker economic outlook for the CRE portfolio as reflected in Moody's CRE Price Index utilized specific reserves in our CECL model and to CRE portfolios, loan downgrades, and charge-offs, partially offset by the favorable impact of loan repayments and sales, which had a lesser extent, loan downgrades, larger impact on the current quarter expense than provisions on new loans. The prior-year quarter provision for credit losses was for the prior-year quarter primarily due to an initial provision for credit losses reflected the impact of \$26 million on loans acquired as part of the TriState Capital acquisition, as well as additional provisions for credit losses at Raymond James Bank due to loan growth and a weaker macroeconomic outlook at that time, primarily on the residential mortgage portfolio, and the impact of loan growth during the quarter.

Compensation expenses increased \$27 million, or 129%, primarily due to incremental expenses of TriState Capital Bank. increased compensation costs both to support growth and annual cost increases, including salaries.

Non-compensation expenses, excluding the bank loan provision for credit losses, increased \$221 million, or 177%, primarily due to an increase in RJBDP fees paid to PCG and incremental expenses of TriState Capital Bank, resulting from the aforementioned decline in RJBDP fees to PCG increased \$198 million, or 251%, due to a significant increase in short-term interest rates, partially offset by a decrease in balances swept to our Bank segment as part of the RJBDP, as deposit balances raised in the Enhanced Savings Program during our fiscal third quarter of 2023 resulted in a decrease in balances swept to the Bank segment, from the RJBDP, partially offset by an increase in rates for such balances. These Bank segment fees and the related revenues earned by the PCG segment are eliminated in consolidation (see "Management's Discussion and Analysis - of Financial Condition and Results of Operations - Private Client Group" for further information on about these servicing fees). Offsetting this decline was an increase in expenses related to deposits, including a special assessment enacted during the quarter by the FDIC to recover losses to its Deposit Insurance Fund, as well as expenses related to the ESP and certificates of deposit issuances during the quarter. The impact of the special assessment was \$9 million of incremental expense for the three months ended December 31, 2023.

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Nine months ended June 30, 2023 compared with the nine months ended June 30, 2022

Net revenues of \$1.56 billion increased 138%, while pre-tax income of \$293 million increased 13%.

Net interest income increased \$882 million, or 139%, due to the significant increase in short-term interest rates and higher average interest-earning assets at Raymond James Bank, primarily bank loans, as well as incremental net interest income from the acquisition of TriState Capital Bank. These increases were partially offset by the aforementioned increased deposit costs at Raymond James Bank. The net interest margin increased to 3.41% from 2.14% for the prior-year period.

All other revenues increased \$24 million, or 120%, primarily due to incremental revenues from the TriState Capital acquisition largely related to derivatives, valuation gains on certain company-owned life insurance policies compared with losses in the prior-year period, and higher foreign currency gains compared with the prior-year period.

The bank loan provision for credit losses was \$96 million for the current-year period, compared with \$66 million for the prior-year period. The current year provision for credit losses primarily reflected the impacts of a weakened macroeconomic outlook for certain loan portfolios, including the impact of a weaker economic outlook for the CRE portfolio as reflected in Moody's CRE Price Index utilized in our CECL model, as well as loan downgrades during the period. These increases were partially offset by the impact of loan repayments and sales, which had a larger impact than provisions on new loans during the period. The provision for credit losses in the prior-year period primarily reflected the aforementioned initial provision for credit losses on loans acquired as part of the TriState Capital acquisition, as well as the impact of both loan growth at Raymond James Bank and a weaker macroeconomic outlook at that time.

Compensation expenses increased \$88 million, or 183%, primarily due to incremental expenses of TriState Capital Bank and, to a lesser extent, increased headcount and annual salary increases.

Non-compensation expenses, excluding the bank loan provision for credit losses, increased \$754 million, or 266%, primarily due to an increase in RJBDP fees paid to PCG and incremental expenses associated with TriState Capital Bank. RJBDP fees to PCG increased \$678 million, or 381%, primarily due to a significant increase in short-term interest rates and, to a lesser extent, an increase in client cash swept to our Bank segment as part of the RJBDP. These Bank segment fees and the revenues earned by the PCG segment are eliminated in consolidation.

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RESULTS OF OPERATIONS – OTHER

This segment includes **our private equity investments**, interest income on certain corporate cash balances, **our private equity investments**, which predominantly consist of investments in third-party funds, certain costs incurred in acquisition activities, other corporate investing activity, and certain corporate overhead costs of RJF that are not allocated to other segments, including the interest costs on our public debt, as well as certain provisions for legal and regulatory matters, and certain acquisition-related expenses. For an overview of our Other segment operations, refer to the information presented in "Item 1 - Business" and "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2022 2023 Form 10-K.

Operating results

		Three months ended June 30,				Nine months ended June 30,			
		Three months ended December 31,				Three months ended December 31,			
\$ in millions		\$ in millions				\$ in millions			
\$ in millions	\$ in millions	2023	2022	% change		2023	2022	% change	
Revenues:	Revenues:								
Revenues:									
Interest income	Interest income	\$ 37	\$ 6	517 %	\$ 103	\$ 10	930 %		
Net gains/(losses) on private equity investments		2	(3)	NM	5	—	NM		
Interest income									
Interest income									
All other									
All other	All other	—	—	— %	1	7	(86) %		
Total revenues	Total revenues	39	3	1,200 %	109	17	541 %		
Total revenues									
Total revenues									
Interest expense									
Interest expense	Interest expense	(24)	(24)	— %	(75)	(71)	6 %		
Net revenues	Net revenues	15	(21)	NM	34	(54)	NM		
Net revenues									
Net revenues									
Non-interest expenses:									
Non-interest expenses:									
Non-interest expenses: Non-interest expenses:									
Compensation and benefits	Compensation and benefits	27	28	(4) %	71	70	1 %		
Compensation and benefits									
Insurance settlement received									
Insurance settlement received									
Insurance settlement received	Insurance settlement received	—	—	— %	(32)	—	NM		
All other	All other	34	15	127 %	46	40	15 %		
All other									
All other									
Total non-interest expenses	Total non-interest expenses	61	43	42 %	85	110	(23) %		
Pre-tax loss		\$ (46)	\$ (64)	28 %	\$ (51)	\$ (164)	69 %		
Total non-interest expenses									

Total non-interest expenses
Pre-tax income
Pre-tax income
Pre-tax income

Quarter ended **June 30, 2023** December 31, 2023 compared with the quarter ended **June 30, 2022** December 31, 2022

Pre-tax **loss** income was **\$46 million** \$3 million, a decrease of 83% compared with a pre-tax **loss** income of **\$64 million** \$18 million for the prior-year quarter.

Net revenues increased **\$36 million** \$17 million primarily due to an increase in interest income earned as a result of higher short-term interest rates applicable to our corporate cash balances.

Non-interest expenses increased **\$18 million**, primarily due to an increase in provisions for legal and regulatory matters and an increase in advertising expenses, partially offset by a decrease in acquisition-related expenses.

Nine months ended June 30, 2023 compared with the nine months ended June 30, 2022

The pre-tax loss was \$51 million compared with a pre-tax loss of \$164 million in the prior-year period.

Net revenues increased \$88 million, primarily due to an increase in interest income earned as a result of higher short-term interest rates applicable to our corporate cash balances, partially offset by an increase in interest expense due to the subordinated notes assumed as part of our acquisition of TriState Capital in June 2022.

Non-interest expenses decreased \$25 million, or 23% \$32 million, primarily due to a \$32 million insurance settlement received during the **current-year period** prior-year quarter related to a previously settled legal matter, which was reflected as an offset to Other expenses, as well as a decrease did not recur in acquisition-related expenses. These decreases were partially offset by an increase in provisions for legal and regulatory matters.

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the current-year quarter.

STATEMENT OF FINANCIAL CONDITION ANALYSIS

The assets on our Condensed Consolidated Statements of Financial Condition consisted primarily of cash and cash equivalents, assets segregated for regulatory purposes and restricted cash (primarily segregated for the benefit of clients), receivables including bank loans, financial instruments held either for trading purposes or as investments, goodwill and identifiable intangible assets, and other assets. A significant portion of our assets were liquid in nature, providing us with flexibility in financing our business.

Total assets of **\$77.63 billion** \$80.13 billion as of **June 30, 2023** December 31, 2023 were **\$3.32 billion** \$1.77 billion, or **4% 2%**, less greater than our total assets as of **September 30, 2022** September 30, 2023. Cash and cash equivalents increased \$893 million primarily driven by an increase in cash held at our bank subsidiaries, largely resulting from an increase in bank deposits during the period. Assets segregated for regulatory purposes and restricted cash decreased **\$4.64 billion** increased \$496 million, primarily due to a decrease an increase in client cash sweep balances in our broker-dealer subsidiaries, which resulted in a decline an increase in brokerage client cash held in our CIP payables and a corresponding decline increase in segregated assets. Brokerage client receivables, collateralized agreements, Bank loans, net increased \$407 million primarily related to increases in corporate and trading assets also decreased \$570 million, \$294 million, and \$114 million, respectively, compared with September 30, 2022. The available-for-sale securities portfolio balances declined \$319 million as a result of our intention to utilize the cash generated from maturities in this portfolio as a source of funding for our business activities. Partially offsetting these decreases was a \$2.20 billion increase in cash and cash equivalents as we have increased the cash held in our Bank segment since September 30, 2022 as a result of market factors that have impacted the banking industry during fiscal 2023, providing us flexibility to meet the needs of our clients. residential mortgage loans.

As of **June 30, 2023** December 31, 2023, our total liabilities of **\$67.71 billion** \$69.35 billion were **\$3.81 billion** \$1.18 billion, or **5% 2%**, less greater than our total liabilities as of **September 30, 2022** September 30, 2023. Bank deposits increased \$1.19 billion, primarily driven by an increase in ESP balances. Brokerage client payables decreased **\$5.41 billion** increased \$346 million, primarily related to the aforementioned decrease increase in CIP client cash balances in our broker-dealer subsidiaries as of **June 30, 2023** December 31, 2023. Collateralized financings and derivative liabilities also decreased \$285 million and \$137 million, respectively. These decreases increases were partially offset by an increase a decrease in bank deposits accrued compensation, commissions, and benefits of \$2.41 billion, primarily \$418 million due to the launch payment of the Enhanced Savings Program to PCG clients in March 2023, which raised \$11.23 billion of deposits prior-year bonuses during the period ended June 30, 2023, enabling us to shift a portion of our client cash sweep balances in the RJBDP from being held as bank deposits in our Bank segment to third-party banks in our RJBDP, which do not impact our Condensed Consolidated Statements of Financial Condition. The increase in deposits also allowed us to reduce our already modest level of borrowings from the FHLB by \$190 million compared to September 30, 2022, despite the banking market conditions that arose during fiscal 2023. quarter.

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LIQUIDITY AND CAPITAL RESOURCES

Liquidity and capital are essential to our business. The primary goal of our liquidity management activities is to ensure adequate funding and liquidity to conduct our business over a range of economic and market environments, including times of broader industry or market liquidity stress events, such as those which occurred in the banking industry during fiscal 2023. events. In times of market stress or uncertainty, we generally maintain higher levels of capital and liquidity, including increased cash levels in our Bank segment, to ensure we

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have adequate funding to support our business and meet our clients' needs. We seek to manage capital levels to support execution of our business strategy, provide financial strength to our subsidiaries, and maintain sustained access to the capital markets, while at the same time meeting our regulatory capital requirements and conservative internal management targets.

Liquidity and capital resources are provided primarily through our business operations and financing activities. **Financing** Our business operations generate substantially all of their own liquidity and funding needs. We have a contingency funding plan which would guide our actions if one or more of our businesses were to experience disruptions from normal funding and liquidity sources. These actions include reallocating client cash balances in the RJBDP from third-party banks to our bank subsidiaries thereby bringing those deposits onto our Consolidated Statements of Financial Condition, increasing our FHLB borrowings at our bank subsidiaries, accessing committed and uncommitted lines of credit at the parent or certain operating subsidiaries, accessing capital markets or, in certain circumstances, accessing certain borrowings from the Federal Reserve. We also have the ability to create additional sources of funding by developing new products to meet the financial needs of our clients, such as the ESP deposit offering launched to PCG clients in fiscal 2023. With each of our deposit offerings, we work to obtain sufficient liquidity to support our business operations while also maintaining a high level of FDIC insurance coverage for our clients.

Our financing activities could also include bank borrowings, collateralized financing arrangements, new or enhanced deposit product offerings such as the Enhanced Savings Program, or additional capital raising activities under our "universal" shelf registration statement. We believe our existing assets, most of which are liquid in nature, together with funds generated from operations and available from committed and uncommitted financing facilities, provide adequate funds for continuing operations at current levels of activity in the short-term. We also believe that we will be able to continue to meet our long-term cash funding and liquidity requirements due to our strong financial position and ability to access capital from financial markets.

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Liquidity and capital management

Senior management establishes our liquidity and capital management frameworks. Our liquidity and capital management frameworks are overseen by **the RJF** our Asset and Liability Committee, a senior management committee that develops and executes strategies and policies to manage our liquidity risk and interest rate risk, as well as provides oversight over the firm's investments. Our liquidity management framework is designed to ensure we have a sufficient amount of funding, even when funding markets experience stress. We manage the maturities and diversity of our funding across products and seek to maintain a diversified funding profile with an appropriate tenor, taking into consideration the characteristics and liquidity profile of our assets. **assets** (e.g., the maturities of our available-for-sale securities portfolio). The liquidity management framework includes senior management's review of short- and long-term cash flow forecasts, review of necessary expenditures, monitoring of the availability of alternative sources of financing, and daily monitoring of liquidity in our significant subsidiaries. Our decisions on the allocation of resources to our business units consider, among other factors, projected profitability, cash flow, risk, future liquidity needs, and required capital levels. Our treasury department assists in evaluating, monitoring and controlling the impact that our business activities have on our financial condition and liquidity, and also maintains our relationships with various lenders. The objective of our liquidity management framework is to support the successful execution of our business strategies while ensuring ongoing and sufficient funding and liquidity.

Our capital planning and capital risk management processes are governed by the Capital Planning Committee ("CPC"), a senior management committee that provides oversight on our capital planning and ensures that our strategic planning and risk management processes are integrated into the capital planning process. The CPC meets at least quarterly to review key metrics related to the firm's capital, such as debt structure and capital ratios; to analyze potential and emerging risks to capital; to oversee our annual firmwide capital stress test; and to propose capital actions to the Board of Directors, such as declaring dividends, repurchasing securities, and raising capital. To ensure that we have sufficient capital to absorb unanticipated losses, the firm adheres to capital risk appetite statements and tolerances set in excess of regulatory minimums, which are established by the CPC and approved by the Board of Directors. We conduct enterprise-wide capital stress testing to ensure that we maintain adequate capital to adhere to our established tolerances under multiple scenarios, including a stressed scenario.

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Capital structure

Common equity (i.e., common stock, additional paid-in capital, and retained earnings) is the primary component of our capital structure. Common equity allows for the absorption of losses on an ongoing basis and for the conservation of resources during stress periods, as it provides us with discretion on the amount and timing of dividends and other capital actions. Information about our common equity is included in the Condensed Consolidated Statements of Financial Condition, the Condensed Consolidated Statements of Changes in Shareholders' Equity, and Note **1716** of this Form 10-Q.

Under regulatory capital rules applicable to us as a bank holding company, we are required to maintain minimum leverage ratios (defined as tier 1 capital divided by adjusted average assets), as well as minimum ratios of tier 1 capital, CET1, and total capital to risk-weighted assets. These capital ratios incorporate quantitative measures of our assets, liabilities, and certain off-balance sheet items as calculated under the regulatory capital rules and are subject to qualitative judgments by the regulators about components, risk-weightings, and other factors. We calculate these ratios in order to assess compliance with both regulatory requirements and internal capital policies. In order to maintain our ability to take certain capital actions, including dividends and common equity repurchases, and to make bonus payments, we must hold a capital conservation buffer above our minimum risk-based capital requirements. See Note **2120** for further information about our regulatory capital and related capital ratios.

We have classified all of our investments in debt securities as available-for-sale and have not classified any of our investments in debt securities as held-to-maturity. Accordingly, we account for our available-for-sale securities at fair value at each reporting date, with unrealized gains and losses, net of tax, included in AOCI. Current Basel III rules permit us to make an election to exclude most components of AOCI when calculating CET1, tier 1 capital, and total capital. We have elected the AOCI opt-out for regulatory capital purposes and therefore exclude certain elements of AOCI, including gains/losses on our available-for-sale portfolio, from our capital calculations.

On July 27, 2023, U.S. banking regulators issued proposed rules that, if enacted, would result in changes to regulations applicable to bank holding companies, including higher capital requirements and eliminating the AOCI opt-out election, which could **negatively impact** **reduce** our regulatory capital ratios in the future. **Under the proposed rule, if enacted,**

there would be a three-year transition period for the elimination of the AOCI opt-out election. We are evaluating these proposals, most of which would apply to us if our average total consolidated assets for four consecutive calendar quarters exceeded \$100 billion, to assess their potential impact to our current businesses and strategies.

The following table presents the components of RJF's regulatory capital used to calculate the aforementioned regulatory capital ratios.

\$ in millions	December 31, 2023	September 30, 2023
Common equity tier 1 capital/Tier 1 capital		
Common stock and related additional paid-in capital	\$ 3,160	\$ 3,145
Retained earnings	10,609	10,213
Treasury stock	(2,365)	(2,252)
Accumulated other comprehensive loss	(693)	(971)
Less: Goodwill and identifiable intangible assets, net of related deferred tax liabilities	(1,776)	(1,776)
Other adjustments	635	886
	9,570	9,245
Common equity tier 1 capital		
Preferred stock	79	79
Less: Tier 1 capital deductions	(3)	(3)
	9,646	9,321
Tier 1 capital		
Tier 2 capital		
Qualifying subordinated debt	99	100
Qualifying allowances for credit losses	526	513
	625	613
Tier 2 capital		
Total capital	\$ 10,271	\$ 9,934

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The following table presents the components of RJF's regulatory capital used to calculate the aforementioned regulatory capital ratios.

\$ in millions	June 30, 2023	September 30, 2022
Common equity tier 1 capital/Tier 1 capital		
Common stock and related additional paid-in capital	\$ 3,101	\$ 2,989
Retained earnings	9,870	8,843
Treasury stock	(2,259)	(1,512)
Accumulated other comprehensive loss	(842)	(982)
Less: Goodwill and identifiable intangible assets, net of related deferred tax liabilities	(1,799)	(1,805)
Other adjustments	781	847
	8,852	8,380
Common equity tier 1 capital		
Preferred stock	79	120
Less: Tier 1 capital deductions	(3)	(20)
	8,928	8,480
Tier 1 capital		
Tier 2 capital		
Qualifying subordinated debt	100	100
Qualifying allowances for credit losses	512	451
	612	551
Tier 2 capital		
Total capital	\$ 9,540	\$ 9,031

The following table presents RJF's risk-weighted assets by exposure type used to calculate the aforementioned regulatory capital ratios.

\$ in millions	\$ in millions	June 30, September	December 31, 2023	September 30, 2023
		2023	30, 2022	\$ in millions
On-balance sheet assets:	On-balance sheet assets:			
Corporate exposures				
Corporate exposures				

Corporate exposures	Corporate exposures	\$19,822	\$ 20,147
Exposures to sovereign and government-sponsored entities ⁽¹⁾	Exposures to sovereign and government-sponsored entities ⁽¹⁾	1,896	2,002
Exposures to depository institutions, foreign banks, and credit unions	Exposures to depository institutions, foreign banks, and credit unions	1,910	3,003
Exposures to public-sector entities	Exposures to public-sector entities	749	696
Residential mortgage exposures	Residential mortgage exposures	4,257	3,732
Statutory multifamily mortgage exposures		108	71
Statutory multi-family mortgage exposures			
High volatility commercial real estate exposures	High volatility commercial real estate exposures	122	128
Past due loans	Past due loans	200	110
Equity exposures	Equity exposures	533	445
Securitization exposures	Securitization exposures	132	129
Other assets	Other assets	7,952	7,325
Off-balance sheet:	Off-balance sheet:		
Standby letters of credit	Standby letters of credit	79	62
Standby letters of credit	Standby letters of credit		
Commitments with original maturity of one year or less	Commitments with original maturity of one year or less	111	98
Commitments with original maturity greater than one year	Commitments with original maturity greater than one year	2,561	2,437
Over-the-counter derivatives	Over-the-counter derivatives	305	305
Other off-balance sheet items	Other off-balance sheet items	271	423
Other off-balance sheet items	Other off-balance sheet items		

Other off-balance sheet items			
Market risk-weighted assets	Market risk-weighted assets	2,437	3,063
Total standardized risk-weighted assets	Total standardized risk-weighted assets	\$43,445	\$ 44,176
		=====	=====

(1) RJF's exposure **Exposure** is predominantly to the U.S. government and its agencies.

Cash flows

Cash and cash equivalents (excluding amounts segregated for regulatory purposes and restricted cash) of **\$8.38 billion** **\$10.21 billion** at **June 30, 2023** **December 31, 2023** increased **\$2.20 billion** **\$893 million** compared with **September 30, 2022** **September 30, 2023**. The increase in cash and cash equivalents primarily resulted from an increase in bank deposits and net income earned during the period and an increase in bank deposits, as additional deposits from the launch of our Enhanced Savings Program to PCG clients in March 2023 and certificate of deposit issuances during the period more than offset a decline in RJBDP balances swept to our Bank segment period. These increases were partially offset by payments of prior-year bonuses, purchases of bank loans, common stock repurchases and dividends paid on our common and preferred stock during the fiscal year of \$788 million and dividends three months ended December 31, 2023.

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Sources of liquidity

Approximately **\$1.72 billion** **\$2.08 billion** of our total **June 30, 2023** **December 31, 2023** cash and cash equivalents was RJF corporate cash, which included the cash held at the parent company, which included as well as cash it loaned to RJ&A. As of **June 30, 2023** **December 31, 2023**, RJF had loaned **\$1.00 billion** **\$1.38 billion** to RJ&A (such amount is included in the RJ&A cash balance in the following table), which RJ&A has invested on behalf of RJF in cash and cash equivalents or otherwise deployed in its normal business activities.

The following table presents our holdings of cash and cash equivalents.

	\$ in millions	June 30, December 31, 2023
RJF	\$	743,732
TriState Capital Bank		3,765
Raymond James Bank		2,299,295
TriState Capital Bank		2,246
RJ&A		1,760,1961
Raymond James Ltd. ("RJ Ltd.")		492,548
Raymond James Financial Services, Inc.		154,186
Charles Stanley Group Limited ("Charles Stanley")		129,149
Raymond James Trust Company of New Hampshire		96,100
Raymond James Investment Management		95
Raymond James Capital Services, LLC		94,65
Raymond James Investment Management		84
Other subsidiaries		278,310
Total cash and cash equivalents	\$	8,375,10,206

Due to market volatility in the banking industry during fiscal 2023, we maintained a higher level of cash balances at Raymond James Bank and TriState Capital Bank as of June 30, 2023 compared with September 30, 2022 as part of our liquidity management practices.

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RJF maintained depository accounts at Raymond James Bank and TriState Capital Bank totaling **\$279 million** **\$286 million** as of **June 30, 2023** **December 31, 2023**. The portion of this total that was available on demand without restrictions, which amounted to **\$237 million** **\$244 million** as of **June 30, 2023** **December 31, 2023**, is reflected in the RJF cash balance and excluded from Raymond James Bank's cash balance in the preceding table.

A large portion of the cash and cash equivalents balances at our non-U.S. subsidiaries, including RJ Ltd. and Charles Stanley, Group Limited, as of **June 30, 2023** **December 31, 2023** was held to meet regulatory requirements and was not available for use by the parent.

In addition to the cash balances described, we have various other potential sources of cash available to the parent company from subsidiaries, as described in the following section.

Liquidity available from subsidiaries

Liquidity is principally available to RJF from RJ&A and Raymond James Bank.

Certain of our broker-dealer subsidiaries are subject to the requirements of the Uniform Net Capital Rule (Rule 15c3-1) under the Securities and Exchange Act of 1934. As a member firm of the Financial Industry Regulatory Authority ("FINRA"), RJ&A is subject to FINRA's capital requirements, which are substantially the same as Rule 15c3-1. Rule 15c3-1 provides for an "alternative net capital requirement," which RJ&A has elected. Regulations require that minimum net capital, as defined, be equal to the greater of \$1.5 million or 2% of aggregate debit items arising from client balances. In addition, covenants in RJ&A's committed financing facilities require its net capital to be a minimum of 10% of aggregate debit items. At **June 30, 2023** December 31, 2023, RJ&A significantly exceeded the minimum regulatory requirements, the covenants in its financing arrangements pertaining to net capital, as well as its internally-targeted net capital tolerances. FINRA may impose certain restrictions, such as restricting withdrawals of equity capital, if a member firm were to fall below a certain threshold or fail to meet minimum net capital requirements which may result in RJ&A limiting dividends it would otherwise remit to RJF. We evaluate regulatory requirements, loan covenants and certain internal tolerances when determining the amount of liquidity available to RJF from RJ&A.

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Raymond James Bank may pay dividends to RJF without prior approval of its regulator as long as the dividends do not exceed the sum of its current calendar year and the previous two calendar years' retained net income, and it maintains its targeted regulatory capital ratios. Dividends may be limited to the extent that capital is needed to support balance sheet growth or as part of our liquidity and capital management activities.

Although we have liquidity available to us from our other subsidiaries, the available amounts may not be as significant as those previously described and, in certain instances, may be subject to regulatory requirements.

Borrowings and financing arrangements

Financing arrangements

We have various financing arrangements in place with third-party lenders that allow us the flexibility to borrow funds on a secured or unsecured basis to meet our liquidity needs. We generally utilize these financing arrangements to finance a portion of our fixed income trading instruments held by RJ&A or for cash management purposes. Our ability to borrow under these arrangements is dependent upon compliance with the conditions in our various loan agreements and, in the case of secured borrowings, collateral eligibility requirements.

As of **June 30, 2023** December 31, 2023, RJF and RJ&A had the ability to borrow under our \$750 million Credit Facility, a committed unsecured line of credit; however, we had no such borrowings outstanding under this facility as of **June 30, 2023** December 31, 2023. See [our discussion of the Credit Facility in Note 14](#) [13](#) of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q, 10-Q for additional information regarding our Credit Facility.

In addition to our Credit Facility, we have various uncommitted financing arrangements with third-party lenders, which are in the form of secured lines of credit, secured bilateral repurchase agreements, or unsecured lines of credit. Our uncommitted secured financing arrangements generally require us to post collateral in excess of the amount borrowed and are generally collateralized by RJ&A-owned securities or by securities that we have received as collateral under reverse repurchase agreements (i.e., securities purchased under agreements to resell). As of **June 30, 2023** December 31, 2023, we had outstanding borrowings under [one](#) [two](#) uncommitted secured borrowing arrangement arrangements out of a total of [13](#) [12](#) uncommitted financing arrangements ([nine](#) [eight](#) uncommitted secured and four uncommitted unsecured). However, lenders are under no contractual obligation to lend to us under uncommitted credit facilities.

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Our borrowings on uncommitted financing arrangements, which were in the form of repurchase agreements in RJ&A, were included in "Collateralized financings" on our Condensed Consolidated Statements of Financial Condition. The average daily balance outstanding during the five most recent quarters, the maximum month-end balance outstanding during the quarter and the period-end balances for repurchase agreements and reverse repurchase agreements are detailed in the following table.

For the quarter ended: (\$ in millions)	For the quarter ended: (\$ in millions)	Repurchase transactions				Reverse repurchase transactions				For the quarter ended: (\$ in millions)	Repurchase transactions				Reverse repurchase transactions					
		Maximum month-end		Maximum month-end		Maximum month-end		Maximum month-end			Average daily balance outstanding		End of period balance outstanding		Average daily balance outstanding		End of period balance outstanding			
		Average daily balance during the quarter	outstanding	End of period balance outstanding	outstanding	Average daily balance during the quarter	outstanding	End of period balance during the quarter	outstanding		Average daily balance during the quarter	outstanding	End of period balance during the quarter	outstanding	Average daily balance during the quarter	outstanding	End of period balance during the quarter	outstanding		
December 31, 2023																				
September 30, 2023																				

June 30, 2023	June 30, 2023	\$ 123	\$ 128	\$ 110	\$ 179	\$ 181	\$ 181
March 31, 2023	March 31, 2023	\$ 174	\$ 223	\$ 150	\$ 236	\$ 310	\$ 167
December 31, 2022	December 31, 2022	\$ 245	\$ 257	\$ 150	\$ 288	\$ 306	\$ 156
September 30, 2022	\$ 196	\$ 294	\$ 294	\$ 249	\$ 367	\$ 367	
June 30, 2022	\$ 203	\$ 276	\$ 100	\$ 238	\$ 300	\$ 168	

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Other borrowings and collateralized financings

We had \$1.00 billion in FHLB borrowings outstanding at June 30, 2023 December 31, 2023, comprised of floating-rate and fixed-rate advances, which reflects a decrease of \$550 million from the balance outstanding as of March 31, 2023. The interest rates on our floating-rate advances are generally based on SOFR. We use interest rate swaps to manage the risk of increases in interest rates associated with the majority of our floating-rate FHLB advances by converting the balances subject to variable interest rates to a fixed interest rate.

We pledge certain of our bank loans and available-for-sale securities with the FHLB as security for both the repayment of certain borrowings and to secure capacity for additional borrowings as needed. During the nine months ended June 30, 2023, we increased our borrowing capacity with the FHLB through the pledge of additional available-for-sale securities. At June 30, 2023, we had pledged with the FHLB bank loans and available-for-sale securities of \$9.27 billion and \$3.86 billion, respectively, as both security for the repayment of outstanding FHLB borrowings and also to secure capacity for additional borrowings as needed. As of June 30, 2023 December 31, 2023, we had an additional \$9.67 billion \$9.37 billion in immediate credit available from the FHLB based on the collateral pledged. Further, with the pledge of additional incremental collateral, we have additional could further increase credit available to us from certain FHLB member banks. See Notes 4, 6, 7, and 14 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for additional information regarding bank loans net and available-for-sale securities pledged with the FHLB and for further information on our FHLB borrowings, including the related maturities and interest rates.

A portion of our fixed income transactions are cleared through a third-party clearing organization, which provides financing for the purchase of trading instruments to support such transactions. The amount of financing is based on the amount of trading inventory financed, as well as any deposits held at the clearing organization. Amounts outstanding under this financing arrangement are collateralized by a portion of our trading inventory and accrue interest based on market rates. While we had borrowings outstanding as of June 30, 2023 December 31, 2023, the clearing organization is under no contractual obligation to lend to us under this arrangement.

Raymond James Bank and TriState Capital Bank As member banks, our bank subsidiaries have access to the Federal Reserve's discount window and may have access to other lending programs that may be established by the Federal Reserve in unusual and exigent circumstances, including the Bank Term Funding Program that was created by the Federal Reserve on March 12, 2023; in March 2023 and is expected to expire in March 2024; however, we do not view borrowings from the Federal Reserve as one of our primary sources of funding. See Note 6 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for additional information regarding available-for-sale securities and bank loans net pledged with the FRB.

At June 30, 2023 December 31, 2023, TriState Capital we had subordinated notes due 2030 outstanding, with an aggregate principal amount of \$98 million. See Note 14 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q and Note 16 of our 2022 2023 Form 10-K for additional information regarding these borrowings.

We may act as an intermediary between broker-dealers and other financial institutions whereby we borrow securities from one broker-dealer counterparty and then lend them to another. Where permitted, we have also loaned to broker-dealers and other financial institutions, securities owned by clients or the firm. firm to broker-dealers and other financial institutions. We account for each of these types of transactions as collateralized agreements and financings, with the outstanding balance of \$71 million \$347 million as of June 30, 2023 December 31, 2023 related to the securities loaned included in "Collateralized financings" on our Condensed Consolidated Statements of Financial Condition of this Form 10-Q. See Note 6 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q and Note 2 of our 2022 2023 Form 10-K for more information on our collateralized agreements and financings.

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Senior notes payable

At June 30, 2023 December 31, 2023, we had aggregate outstanding senior notes payable of \$2.04 billion, which, exclusive of any unaccreted premiums or discounts and debt issuance costs, was comprised of \$500 million par 4.65% senior notes due 2030, \$800 million par 4.95% senior notes due 2046, and \$750 million par 3.75% senior notes due 2051. See Note 17 of the Notes to the Consolidated Financial Statements of our 2022 2023 Form 10-K for additional information on senior notes payable.

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Credit ratings

Our issuer, senior long-term debt, and preferred stock credit ratings as of the most current report are detailed in the following table.

Rating Agency	Credit Rating			
	Standard & Poor's Ratings			
	Fitch Ratings, Inc. ⁽¹⁾	Moody's	Services ⁽²⁾	
Issuer and senior long-term debt ⁽³⁾ :				
Rating	A-	A3		A-
Preferred stock Outlook	Stable	Stable	Stable	Stable
Last rating action	Affirmed	Upgrade	Upgrade	Upgrade
Date of last rating action	March 2023	February 2022	February 2023	February 2023
Preferred stock:				
Rating	BB+	Baa3 (hyb)		Not rated
OutlookLast rating action	Affirmed	Stable	Assigned	N/A
Date of last rating action	Stable	March 2023	August 2022	Stable
				N/A

(1) On March 17, 2023, Fitch Ratings, Inc. affirmed RJF's issuer and senior long term debt A- rating, preferred stock BB+ rating, and stable rating outlook.

(2) On February 13, 2023, Standard & Poor's Rating Services upgraded RJF's issuer and senior long-term debt from BBB+ to A- and changed the rating outlook to stable.

Our current credit ratings depend upon a number of factors, including industry dynamics, operating and economic environment, operating results, operating margins, earnings trends and volatility, balance sheet composition, liquidity and liquidity management, capital structure, overall risk management, business diversification and market share, and competitive position in the markets in which we operate. Deterioration in any of these factors could impact our credit ratings. Any rating downgrades could increase our costs in the event we were to obtain additional financing.

Should our credit rating be downgraded prior to a public debt offering, it is probable that we would have to offer a higher rate of interest to bond holders. A downgrade to below investment grade may make a public debt offering difficult to execute on terms we would consider to be favorable. A downgrade below investment grade could result in the termination of certain derivative contracts and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing overnight collateralization on our derivative instruments in liability positions. A credit downgrade could damage our reputation and result in certain counterparties limiting their business with us, result in negative comments by analysts, potentially negatively impact investors' and/or clients' perception of us, cause clients to withdraw bank deposits that exceed FDIC insurance limits from our bank subsidiaries, and cause a decline in our stock price. None of our borrowing arrangements contains a condition or event of default related to our credit ratings. However, a credit downgrade would result in the firm incurring a higher facility fee on the Credit Facility, in addition to triggering a higher interest rate applicable to any borrowings outstanding on that line as of and subsequent to such downgrade. Conversely, an improvement in RJF's current credit rating could have a favorable impact on the facility fee, as well as the interest rate applicable to any borrowings on such line.

Other sources and uses of liquidity

We have company-owned life insurance policies which are utilized to fund certain non-qualified deferred compensation plans and other employee benefit plans. Certain of our non-qualified deferred compensation plans and other employee benefit plans are employee-directed (i.e., the participant chooses investment portfolio benchmarks) while others are company-directed. Of the company-owned life insurance policies which fund these plans, certain policies could be used as a source of liquidity for the firm. Those policies against which we could readily borrow had a cash surrender value of \$917 million \$1.01 billion as of June 30, 2023 December 31, 2023, comprised of \$598 \$667 million related to employee-directed plans and \$319 \$343 million related to company-directed plans, and we were able to borrow up to 90%, or \$825 \$909 million, of the June 30, 2023 December 31, 2023 total without restriction. To effect any such borrowing, the underlying investments would be converted to money market investments, therefore requiring us to take market risk related to the employee-directed plans. There were no borrowings outstanding against any of these policies as of June 30, 2023 December 31, 2023.

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On May 12, 2021, we filed a "universal" shelf registration statement with the SEC pursuant to which we can issue debt, equity and other capital instruments if and when necessary or perceived by us to be opportune. Subject to certain conditions, this registration statement will be effective through May 12, 2024.

As part of our ongoing operations, we also enter into contractual arrangements that may require future cash payments, including certificates of deposit, lease obligations and other contractual arrangements, such as for software and various services. See Notes 12 11 and 13 12 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q and Notes 14 and 15 of our 2023 Form 10-K for information regarding our lease obligations and certificates of deposit, respectively. We have entered into investment commitments, lending commitments and other commitments to extend credit for which we are unable to reasonably predict the timing of future payments. See Note 16 15 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for further information.

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REGULATORY

Refer to the discussion of the regulatory environment in which we operate and the impact on our operations of certain rules and regulations in "Item 1 - Business - Regulation" of our 2022 2023 Form 10-K.

RJF and many of its subsidiaries are each subject to various regulatory capital requirements. As of June 30, 2023 December 31, 2023, all of our active regulated domestic and international subsidiaries had net capital in excess of minimum requirements. In addition, RJF, Raymond James Bank, and TriState Capital Bank were categorized as "well-

capitalized" as of **June 30, 2023** December 31, 2023. The maintenance of certain risk-based and other regulatory capital levels could influence various capital allocation decisions impacting one or more of our businesses. However, due to the current capital position of RJF and its regulated subsidiaries, we do not anticipate these capital requirements will have a negative impact on our future business activities.

Effective August 1, 2023, TriState Capital Bank completed its conversion from a state non-member bank, which was primarily supervised by the Pennsylvania Department of Banking and Securities ("PDBS") and the FDIC, to a state member bank, which is primarily supervised by the PDBS and the Fed. As a state member bank, TriState Capital Bank will continue to be supervised by the FDIC and the Consumer Financial Protection Bureau. We do not anticipate any material changes to TriState Capital Bank's existing business or operations as a result of the conversion.

The Financial Conduct Authority, which regulated the widely-referenced benchmark London Interbank Offered Rate ("LIBOR"), ceased publication of the most commonly used U.S. dollar LIBOR tenors ("USD LIBOR") on June, 30, 2023. On September 30, 2022, the Adjustable Interest (LIBOR) Rate Act ("LIBOR Act") was enacted into U.S. federal law to provide a statutory framework to replace LIBOR with a benchmark rate based on the SOFR in contracts that do not have fallback provisions or that have fallback provisions resulting in a replacement rate based on LIBOR. As of June 30, 2023, we no longer offer new contracts referencing LIBOR and legacy contracts indexed to USD LIBOR have transitioned to SOFR-based or other alternative reference rates in accordance with existing fallback provisions or the LIBOR Act.

See Note **21** **20** of the Notes to Condensed Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and capital resources - Capital structure" of this Form 10-Q for further information on regulatory capital requirements.

The Department of Labor ("DOL") recently proposed the "Retirement Security Rule." This proposed regulation amends the definition of a "fiduciary" in connection with investment advice regarding employee benefit plans and individual retirement accounts ("the Proposed Fiduciary Rule"). Along with the Proposed Fiduciary Rule, the DOL issued proposed amendments to several prohibited transaction exemptions. If finalized, the Proposed Fiduciary Rule, along with the amended prohibited transaction exemptions, could have a material adverse effect on our business and results of operations.

CRITICAL ACCOUNTING ESTIMATES

The condensed consolidated financial statements are prepared in accordance with GAAP, which require us to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the reporting period. Management has established detailed policies and control procedures intended to ensure the appropriateness of such estimates and assumptions and their consistent application from period to period. For a description of our significant accounting policies, see Note 2 of the Notes to Consolidated Financial Statements of our **2022** **2023** Form 10-K.

Due to their nature, estimates involve judgment based upon available information. Actual results or amounts could differ from estimates and the difference could have a material impact on the condensed consolidated financial statements. Therefore, understanding these critical accounting estimates is important in understanding our reported results of operations and financial position. We believe that of our accounting estimates and assumptions, those described in the following sections involve a high degree of judgment and complexity.

Loss provisions

Loss provisions for legal and regulatory matters

The recorded amount of liabilities related to legal and regulatory matters is subject to significant management judgment. For a description of the significant estimates and judgments associated with establishing such accruals, see the "Contingent liabilities" section of Note 2 of the Notes to Consolidated Financial Statements of our **2022** **2023** Form 10-K. In addition, refer to Note **16** **15** of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for information regarding legal and regulatory matters contingencies as of **June 30, 2023** December 31, 2023.

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Allowance for credit losses

We evaluate certain of our financial assets, including bank loans, to estimate an allowance for credit losses based on expected credit losses over a financial asset's lifetime. The remaining life of our financial assets is determined by considering contractual terms and expected prepayments, among other factors. We use multiple methodologies in estimating an allowance

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for credit losses and our approaches differ by type of financial asset and the risk characteristics within each financial asset type. Our estimates are based on ongoing evaluations of our financial assets, the related credit risk characteristics, and the overall economic and environmental conditions affecting the financial assets. Our process for determining the allowance for credit losses includes a complex analysis of several quantitative and qualitative factors requiring significant management judgment due to matters that are inherently uncertain. This uncertainty can produce volatility in our allowance for credit losses. In addition, the allowance for credit losses could be insufficient to cover actual losses. In such an event, any losses in excess of our allowance would result in a decrease in our net income, as well as a decrease in the level of regulatory capital.

We generally estimate the allowance for credit losses on bank loans using credit risk models which incorporate relevant available information from internal and external sources relating to past events, current conditions, and reasonable and supportable economic forecasts. After testing the reasonableness of a variety of economic forecast scenarios, each model is run using a single forecast scenario selected for each model. Our forecasts incorporate assumptions related to macroeconomic indicators including, but not limited to, U.S. gross domestic product, equity market indices, unemployment rates, and commercial real estate and residential home price indices.

To demonstrate the sensitivity of credit loss estimates on our bank loan portfolio to macroeconomic forecasts, we compared our modeled estimates under the base case economic scenario used to estimate the allowance for credit losses as of **June 30, 2023** **December 31, 2023**, to what our estimate would have been under a downside case scenario and an upside scenario, without considering any offsetting effects in the qualitative component of our allowance for credit losses as of **June 30, 2023** **December 31, 2023**. As of **June 30, 2023** **December 31, 2023**, use of the downside case scenario would have resulted in an increase of approximately \$230 million in the quantitative portion of our allowance for credit losses on bank loans, while the use of the upside case would have resulted in a reduction of approximately **\$50 million** **\$45 million** in the quantitative portion of our allowance for credit losses on bank loans at **June 30, 2023** **December 31, 2023**. These hypothetical outcomes reflect the relative sensitivity of the modeled portion of our allowance estimate to macroeconomic forecasted scenarios but do not consider any potential impact qualitative adjustments could have on the allowance for credit losses in such environments. Qualitative adjustments could either increase or decrease modeled loss estimates calculated using an alternative economic scenario assumption. Further, such sensitivity calculations do not necessarily reflect the nature and extent of future changes in the related allowance for a number of reasons including: (1) management's predictions of future economic trends and relationships among the scenarios may differ from actual events; and (2) management's application of subjective measures to modeled results through the qualitative portion of the allowance for credit losses when appropriate. The downside case scenario utilized in this hypothetical sensitivity analysis assumes a moderate recession. To the extent macroeconomic conditions worsen beyond those assumed in this downside case scenario, we could incur provisions for credit losses significantly in excess of those estimated in this analysis.

See Note 2 of the Notes to Consolidated Financial Statements of our **2022** **2023** Form 10-K for information regarding our methodologies and assumptions used in estimating the allowance for credit losses. See Note 7 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for information regarding our allowance for credit losses related to bank loans as of **June 30, 2023** **December 31, 2023**.

ACCOUNTING STANDARDS UPDATE

In November 2023, the FASB issued amended guidance related to disclosures for segment reporting (ASU 2023-07). The amendment requires a public entity to disclose on an annual and interim basis, for each reportable segment, the significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss. The guidance also requires a public entity to disclose, for each reportable segment, an amount for other segment items (those not captured as a significant expense) and the reported measure of a segment's profit or loss. This new guidance is effective for annual periods beginning in our fiscal 2025 and interim periods beginning in our fiscal first quarter of 2026 with early adoption permitted. This guidance will be applied on a retrospective basis. We are evaluating the impact that this new guidance will have on our disclosures.

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RECENT ACCOUNTING DEVELOPMENTS

In March 2022, the Financial Accounting Standards Board ("FASB") issued new guidance related to troubled debt restructurings and disclosures regarding write-offs of financing receivables (ASU 2022-02), amending guidance related to the measurement of credit losses on financial instruments (ASU 2016-13). The amendment eliminates the accounting guidance for troubled debt restructurings for creditors, but requires enhanced disclosures for certain loan refinancings and restructurings by creditors when a borrower is experiencing financial difficulty, and requires disclosure of current-period gross write-offs by year of origination for financing receivables. This new guidance is effective for our fiscal year beginning on October 1, 2023 and will be applied on a prospective basis. Although permitted, we do not plan to early adopt. We do not expect the adoption of this new guidance to have a material impact on our financial position and results of operations.

In March **December** 2023, the FASB issued amended guidance related to **accounting disclosures** for **investments in tax credit structures using the proportional amortization method** **income taxes** (ASU 2023-02) **2023-09**. The amendment **permits** reporting entities **requires** a public entity to **elect** **enhance** its existing annual tabular reconciliation of its **statutory income tax rate** to account for **their** **its** **effective tax equity investments** **using** **rate**, with certain reconciling items at or above 5% of the **proportional amortization method** if **certain conditions** are met and makes the **delayed equity contributions** **applicable** **statutory income tax rate** broken out by nature and/or jurisdiction. The guidance **applicable** **only** when the **proportional amortization method** is applied to a **tax equity investment**. This amendment **also** **requires** **entities** **an** **entity** **to** **make** **disclosures** **about** **all** **investments** **in** **a** **tax** **credit** **program** **for** **which** **disclose** **income** **taxes** **paid** **(net** **of** **refunds** **received****)**, **disaggregated** **by** **federal**, **state**, **and** **foreign** **taxes**, **and** **net** **amounts** **paid** **to** **an** **individual** **jurisdiction** **when** **they** **have** **elected** **to** **account** **for** **using** **represent** 5% **or** **more** **of** **the** **proportional** **amortization** **method**, **including** **those** **investments** **in** **an** **elected** **tax** **credit** **program** **that** **do** **not** **meet** **the** **conditions** **to** **use** **the** **proportional** **amortization** **method**. **total** **income** **taxes** **paid**. This new guidance is effective for annual periods beginning in our fiscal year beginning on October 1, 2024. 2026 with early adoption permitted. This guidance **may** **will** **be** **applied** **on** **a** **prospective** **basis** **with** **retrospective** **basis** **or** **modified** **retrospective** **basis** **to** **all** **qualifying** **tax** **equity** **investments**; **however**, **the** **transition** **method** **must** **be** **applied** **consistently** **to** **all** **affected** **investments**. Early adoption is permitted on a program-by-program basis. application permitted. We are still evaluating the impact including from any potential early adoption, that this new guidance will have on our financial position, results of operations, and disclosures.

See Note 2 of the Notes to the Condensed Consolidated Financial Statements of this Form 10-Q for information regarding new accounting guidance we adopted during the three months ended December 31, 2023.

RISK MANAGEMENT

Risks are an inherent part of our business and activities. Management of risk is critical to our fiscal soundness and profitability. Our risk management processes are multi-faceted and require communication, judgment, and knowledge of financial products and markets. We have a formal Enterprise Risk Management ("ERM") program to assess and review aggregate risks across the firm. Our management takes an active role in the ERM process, which requires specific administrative and business functions to participate in the identification, assessment, monitoring and control of various risks.

The principal risks related to our business activities are market, credit, liquidity, operational, model, and compliance.

Governance

Our Board of Directors, including its Risk Committee and Audit Committee, oversees the firm's management and mitigation of risk, reinforcing a culture that encourages ethical conduct and risk management throughout the firm. Senior management communicates and reinforces this culture through three lines of risk management and a number of senior-level management committees. Our first line of risk management, which includes all of our businesses, owns its risks and is responsible for identifying, mitigating, and escalating risks arising from its day-to-day activities. The second line of risk management, which includes Compliance and Risk Management, advises our client-facing businesses and other first-line functions in identifying, assessing, and mitigating risk. The second line of risk management tests and monitors the effectiveness of controls, as deemed necessary, and escalates risks when appropriate to senior management and the Board of Directors. The third line of risk management, Internal Audit, independently reviews activities conducted by the previous lines of risk management to assess their management and mitigation of risk, providing additional assurance to the Board of Directors and senior management, with a view toward enhancing our oversight, management, and mitigation of risk. Our legal department provides legal advice and guidance to each of these three lines of risk management.

Market risk

Market risk is our risk of loss resulting from the impact of changes in market prices on our trading inventory, derivatives, and investment positions. We have exposure to market risk primarily through our broker-dealer trading operations and our banking operations. Through our broker-dealer subsidiaries, we trade debt obligations and equity securities and maintain trading inventories to ensure availability of securities to facilitate client transactions. Inventory levels may fluctuate daily as a result of client demand. We also hold investments within our available-for-sale securities portfolio, and from time to time may hold SBA Small Business Administration loan securitizations not yet transferred sold. Our primary market risks relate to interest rates, equity prices, and foreign exchange rates. Interest rate risk results from changes in levels of interest rates, the volatility of interest rates, mortgage prepayment speeds, and credit spreads. Equity risk results from changes in prices of equity securities. Foreign exchange risk results from changes in spot prices, forward prices, and volatility of foreign exchange rates. See Note 2 of the Notes to

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Consolidated Financial Statements of our 2022 2023 Form 10-K and Notes 3, 4, and 5 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for fair value and other information regarding our trading inventories, available-for-sale securities, and derivative instruments.

We regularly enter into underwriting commitments and, as a result, we may be subject to market risk on any unsold shares securities issued in the offerings to which we are committed. Risk exposure is controlled by limiting our participation, the transaction size, or through the syndication process.

The Market Risk Management department is responsible for measuring, monitoring, and reporting market risks associated with the firm's trading and derivative portfolios. While Market Risk Management maintains ongoing communication with the revenue-generating business units, it is independent of such units.

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Interest rate risk

Trading activities

We are exposed to interest rate risk as a result of our trading inventory (primarily comprised of fixed income instruments) in our Capital Markets segment. Changes in the value of our trading inventory may result from fluctuations in interest rates, credit spreads, equity prices, macroeconomic factors, investor expectations or risk appetites, liquidity, as well as dynamic relationships among between these factors. Other market factors, such as the recent downgrade of the U.S. government's credit rating by Fitch, could also impact the market value of our trading inventory and other financial instruments on our Condensed Consolidated Statements of Financial Condition. We actively manage interest rate risk arising from our fixed income trading inventory through the use of hedging strategies utilizing U.S. Treasuries, exchange traded funds, futures contracts, liquid spread products, and derivatives.

Our primary method for controlling risks within trading inventories is through the use of dollar-based and exposure-based limits. A hierarchy of limits exists at multiple levels, including firm, business unit, desk (e.g., for equities, corporate bonds, municipal bonds), product sub-type (e.g., below-investment-grade positions) and at times, at the individual position issuer concentration. For derivative positions, which are primarily comprised of interest rate swaps, we have established sensitivity-based and foreign exchange spot limits. Trading positions and derivatives are monitored against these limits through daily reports that are distributed to senior management. During volatile markets, we may temporarily reduce limits and/or choose to pare our trading inventories to reduce risk.

We monitor Value-at-Risk ("VaR") for all of our trading portfolios on a daily basis for risk management purposes and as a result of applying the Fed's Market Risk Rule ("MRR") for the purpose of calculating our capital ratios. The MRR, also known as the "Risk-Based Capital Guidelines: Market Risk" rule released by the Fed, the Office of the Comptroller of the Currency and the FDIC, requires us to calculate VaR for all of our trading portfolios, including fixed income, equity, derivatives, and foreign exchange instruments. VaR is an appropriate statistical technique for estimating potential losses in trading portfolios due to typical adverse market movements over a specified time horizon with a suitable confidence level. However, there are inherent limitations of to utilizing VaR including: historical movements in markets may not accurately predict future market movements; VaR does not take into account the liquidity of individual positions; VaR does not estimate losses over longer time horizons; and extended periods of one-directional markets potentially distort risks within the portfolio. In addition, should markets become more volatile, actual trading losses may exceed VaR results presented on a single day and might accumulate over a longer time horizon. As a result, management complements VaR with sensitivity analysis and stress testing and employs additional controls such as a daily review of trading results, review of aged inventory, independent review of pricing, monitoring of concentrations, and review of issuer ratings.

To calculate VaR, we use models which that incorporate historical simulation. This approach assumes that historical changes in market conditions, such as in interest rates and equity prices, are representative of future changes. Simulation is based on daily market data for the previous twelve months. VaR is reported at a 99% confidence level for a one-

day time horizon. Assuming that future market conditions change as they have in the past twelve months, we would expect to incur losses greater than those predicted by our one-day VaR estimates about once every 100 trading days, or about three times per year on average. For regulatory capital calculation purposes, we also report VaR and Stressed VaR numbers for a ten-day time horizon. The VaR model is independently reviewed by our Model Risk Management function. See "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Model risk" of our [2022 2023 Form 10-K](#) for further information.

The modeling of the risk characteristics of trading positions involves a number of assumptions and approximations that management believes to be reasonable. However, there is no uniform industry methodology for estimating VaR, and different

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assumptions or approximations could produce materially different VaR estimates. As a result, VaR results are more reliable when used as indicators of risk levels and trends within a firm than as a basis for inferring differences in risk-taking across firms.

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The following table sets forth the high, low, period-end and average daily one-day VaR for all of our trading portfolios, including fixed income and equity instruments, and for our derivatives for the periods and dates indicated.

\$ in millions	\$ in millions	Nine months ended June 30, 2023		Period-end VaR		\$ in millions	Three months ended June 30,		Nine months ended June 30,				
		High	Low	June 30, 2023	September 30, 2022		2023	2022	2023	2022			
\$ in millions													
\$ in millions													
Daily VaR	Daily VaR	\$ 3	\$ 1	\$ 2	\$ 3	Average daily VaR	\$ 2	\$ 1	\$ 2	\$ 1			
Daily VaR													
Daily VaR													

Average daily VaR was higher during the three and nine months ended June 30, 2023 compared with the three and nine months ended June 30, 2022 due to the impact of increased market volatility during the period, as well as the addition of the SumRidge Partners trading inventory beginning in July 2022. Period-end VaR was lower at [June 30, 2023](#) December 31, 2023 compared to [September 30, 2022](#) with September 30, 2023, due to lower net exposure as a decline result of a change in the mix of our trading inventory.

The Fed's MRR requires us to perform daily back-testing procedures for our VaR model, whereby we compare each day's projected VaR to its regulatory-defined daily trading losses, which exclude fees, commissions, reserves, net interest income, and intraday trading. Regulatory-defined daily trading losses are used to evaluate the performance of our VaR model and are not comparable to our actual daily net revenues. Based on these daily "ex ante" versus "ex post" comparisons, we determine whether the number of times that regulatory-defined daily trading losses exceed VaR is consistent with our expectations at a 99% confidence level. During the three months ended [June 30, 2023](#) December 31, 2023, our regulatory-defined daily losses in our trading portfolios did not exceed our predicted VaR. [During the nine months ended June 30, 2023, our regulatory-defined daily losses in our trading portfolios exceeded our predicted VaR on one occasion.](#)

Separately, RJF provides additional market risk disclosures to comply with the MRR, including 10-day VaR and 10-day Stressed VaR, which are available on our website at <https://www.raymondjames.com/investor-relations/financial-information/filings-and-reports> within "Other Reports and Information."

Banking operations

Our Bank segment maintains an interest-earning asset portfolio that is comprised of cash, SBL, C&I loans, CRE loans, REIT loans, residential mortgage loans, and tax-exempt loans, as well as securities held in the available-for-sale securities portfolio. These interest-earning assets are primarily funded by client deposits. Based on the current asset portfolio, our banking operations are subject to interest rate risk. We analyze interest rate risk based on forecasted net interest income, which is the net amount of interest received and interest paid, and the net portfolio valuation, both across a range of interest rate scenarios.

One of the objectives of [the](#) our Asset and Liability Committee is to manage the sensitivity of net interest income to changes in market interest rates. This committee uses several measures to monitor and limit interest rate risk in our banking operations, including scenario analysis and economic value of equity ("EVE"). We utilize hedging strategies using interest rate swaps in our banking operations as a component of our asset and liability management process. For further information regarding this hedging strategy, see Note 2 of the Notes to Consolidated Financial Statements of our [2022 2023 Form 10-K](#) and Notes [13](#) [12](#) and [14](#) [13](#) of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q. See "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and capital resources" of our [2023 Form 10-K](#) for further information.

To ensure that we remain within the tolerances established for net interest income, a sensitivity analysis of net interest income to interest rate conditions is estimated under a variety of scenarios. We use simulation models and estimation techniques to assess the sensitivity of net interest income to movements in interest rates. The model estimates the sensitivity by calculating interest income and interest expense in a dynamic balance sheet environment using current repricing, prepayment, and reinvestment of cash flow assumptions over a 12-month time horizon. Assumptions used in the model include interest rate movement, the slope of the yield curve, and balance sheet composition and growth. The model also considers interest rate-related risks such as pricing spreads, pricing of client cash accounts, including deposit betas, and prepayments. Various interest rate scenarios are modeled in order to determine the effect those scenarios may have on net interest income.

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The following table is an analysis of our banking operations' estimated net interest income over a 12-month period based on instantaneous shifts in interest rates (expressed in basis points) using our previously described asset/liability model, which assumes a dynamic balance sheet, that the a weighted-average deposit beta on our interest-bearing deposit accounts without stated maturities of approximately 40% as both interest rates on substantially all of our deposits change by an amount equal to the change in market interest rates (i.e., deposit beta of 100%), rise and fall, and that interest rates do not decline below zero. While not presented, additional rate scenarios are performed, including interest rate ramps and yield curve shifts that may more realistically mimic the speed of potential interest rate movements. We also perform simulations on time horizons of up to five years to assess longer-term impacts to various interest rate scenarios. On a quarterly basis, we test expected model results to actual performance. Additionally, any changes made to key assumptions in the model are documented and approved by the Asset and Liability Committee.

Instantaneous changes in rate (1)	Instantaneous changes in rate (1)	Net interest income (\$ in millions)	Net interest income	Projected change		Net interest income (\$ in millions)	Projected change in net interest income
				in interest	in net		
+200	+200	\$1,779	5%		+200	\$1,971	13%
+100	+100	\$1,736	2%		+100	\$1,892	8%
0	0	\$1,698	—%		0	\$1,745	—%
-100	-100	\$1,643	(3)%		-100	\$1,642	(6)%
-200	-200	\$1,599	(6)%		-200	\$1,548	(11)%

(1) Our 0-basis point scenario was based on interest rates as of **June 30, 2023** and did not include the impact of the Fed's July 27, 2023 increase in its benchmark short-term rate. **December 31, 2023**.

The preceding table does not include the impacts of an instantaneous change in interest rates on net interest income on assets and liabilities outside of our banking operations or on our RJBDP fees from third-party banks, which are also sensitive to changes in interest rates and are included in "Account and service fees" on our Condensed Consolidated Statements of Income and Comprehensive Income. Refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations - Net interest analysis" of this Form 10-Q for **a discussion additional information on our net interest income**.

We have classified all of our investments in debt securities as available-for-sale and have not classified any of our investments in debt securities as held-to-maturity. In our available-for-sale securities portfolio, we hold primarily fixed-rate agency-backed MBS, agency-backed CMOs, and U.S. Treasuries, which are carried at fair value on our Condensed Consolidated Statements of Financial Condition, with changes in the fair value of the **impact** portfolio recorded through OCI on our Condensed Consolidated Statements of Income and Comprehensive Income. As the majority of our available-for-sale securities portfolio is comprised of U.S. government and government agency-backed securities, changes in **short-term** fair value are primarily driven by changes in interest rates. At December 31, 2023, our available-for-sale securities portfolio had a fair value of \$9.20 billion with a weighted-average yield of 2.13% and a weighted-average life, after factoring in estimated prepayments, of 4.0 years. To evaluate the interest rate sensitivity of our available-for-sale securities portfolio we also monitor, among other things, effective duration, defined as the approximate percentage change in price for a 100-basis point change in rates. As of December 31, 2023, the effective duration of our available-for-sale securities portfolio was approximately 3.37, which means that we would expect the market value of our available-for-sale securities portfolio to decline approximately 3.37% for every 100-basis point increase in interest rates **could have** and increase approximately 3.37% for every 100-basis point decline in interest rates. See Note 2 of the Notes to Consolidated Financial Statements of our 2023 Form 10-K and Note 4 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for additional information on **the consolidated firm's operations** our available-for-sale securities portfolio.

The Asset and Liability Committee also reviews EVE, which is a point in time analysis of current interest-earning assets and interest-bearing liabilities that incorporates all cash flows over their estimated remaining lives, discounted at current rates. The EVE approach is based on a static balance sheet and provides an indicator of future earnings and capital levels as the changes in EVE indicate the anticipated change in the value of future cash flows. We monitor sensitivity to changes in EVE utilizing Board of Directors-approved limits. These limits set a risk tolerance to changing interest rates and assist in determining strategies for mitigating this risk as EVE approaches these limits. As of **June 30, 2023** **December 31, 2023**, our EVE analyses were within approved limits.

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The following table shows the maturities of our bank loan portfolio at **June 30, 2023** **December 31, 2023**, including contractual principal repayments. Maturities are generally determined based upon contractual terms; however, rollovers or extensions that are included for the purposes of measuring the allowance for credit losses are reflected in maturities in the following table. This table does not include any estimates of prepayments, which could shorten the average loan lives and cause the actual timing of the loan repayments to differ significantly from those shown in the table.

\$ in millions	\$ in millions	Due in					\$ in millions	Due in				
		> One year		> Five years				One year or less		> One year - five years		
		One year or less	years	years	years	years	Total	One year or less	> One year - five years	> Five years - fifteen years	> Fifteen years	Total
SBL	SBL	\$13,804	\$ 383	\$ 39	\$ 1	\$ 14,227						

C&I loans	C&I loans	1,033	7,489	2,102	39	10,663
CRE loans	CRE loans	1,045	4,119	1,910	17	7,091
REIT loans	REIT loans	239	1,416	60	—	1,715
Residential mortgage loans	Residential mortgage loans	5	42	186	8,189	8,422
Tax-exempt loans	Tax-exempt loans	94	269	1,185	—	1,548
Total loans held for investment	Total loans held for investment					
Held for sale loans	Held for sale loans	16,220	13,718	5,482	8,246	43,666
Total loans held for sale and investment	Total loans held for sale and investment					
		\$16,220	\$13,718	\$5,549	\$8,314	\$43,801

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The following table shows the distribution of the recorded investment of those bank loans that mature in more than one year between fixed and adjustable interest rate loans at **June 30, 2023** December 31, 2023.

\$ in millions	\$ in millions	Interest rate type			\$ in millions	Interest rate type		
		Fixed	Adjustable	Total		Fixed	Adjustable	Total
SBL	SBL	\$ 11	\$ 412	\$ 423				
C&I loans	C&I loans	858	8,772	9,630				
CRE loans	CRE loans	467	5,579	6,046				
REIT loans	REIT loans	—	1,476	1,476				
Residential mortgage loans	Residential mortgage loans	229	8,188	8,417				
Tax-exempt loans	Tax-exempt loans	1,454	—	1,454				
Total loans held for investment	Total loans held for investment				3,019	24,427	27,446	
Held for sale loans	Held for sale loans	7	128	135				
Total loans held for sale and investment	Total loans held for sale and investment				\$3,026	\$ 24,555	\$27,581	

Contractual loan terms for SBL, C&I loans, CRE loans, REIT loans, and residential mortgage loans may include an interest rate floor, cap and/or fixed interest rates for a certain period of time, which would impact the timing of the interest rate reset for the respective loan. See the discussion within the "Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Credit risk - Risk monitoring process" section of this Form 10-Q for additional information regarding our interest-only residential mortgage loan portfolio.

In our available-for-sale securities portfolio, we hold primarily fixed-rate agency-backed MBS, agency-backed CMOs, and U.S. Treasuries, which are carried at fair value on our Condensed Consolidated Statements of Financial Condition, with changes in the fair value of the portfolio recorded through OCI on our Condensed Consolidated Statements of Income and Comprehensive Income. At June 30, 2023, our available-for-sale securities portfolio had a fair value of \$9.57 billion with a weighted-average yield of 2.07% and a weighted-average life, after factoring in estimated prepayments, of 4.30 years. The effective duration of our available-for-sale securities portfolio as of June 30, 2023 was approximately 3.54, where duration is defined as the approximate percentage change in price for a 100-basis point change in rates. See Note 4 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for additional information on our available-for-sale securities portfolio.

Equity price risk

We are exposed to equity price risk as a result of our capital markets activities. Our broker-dealer activities are generally client-driven, and we carry equity securities as part of our trading inventory to facilitate such activities, although the amounts are not as significant as our fixed income trading inventory. We attempt to reduce the risk of loss inherent in our inventory of equity securities by monitoring those security positions each day and establishing position limits. Equity securities held in our trading inventory are generally included in VaR.

In addition, we have a private equity portfolio, included in "Other investments" on our Condensed Consolidated Statements of Financial Condition, which is primarily comprised of investments in third-party funds. See Note 3 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for additional information on this portfolio.

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Foreign exchange risk

We are subject to foreign exchange risk due to our investments in foreign subsidiaries as well as transactions and resulting balances denominated in a currency other than the U.S. dollar. For example, our bank loan portfolio includes loans which are denominated in Canadian dollars ("CAD"), totaling \$1.49 billion as of December 31, 2023 and \$1.51 billion at June 30, 2023 and September 30, 2022 September 30, 2023, respectively, when converted to the U.S. dollar. A majority of such loans are held in a Canadian subsidiary of Raymond James Bank, which is discussed in the following sections.

Investments in foreign subsidiaries

Raymond James Bank has an investment in a Canadian subsidiary, resulting in foreign exchange risk. To mitigate its foreign exchange risk, Raymond James Bank utilizes short-term, forward foreign exchange contracts. These derivatives are primarily accounted for as net investment hedges in the condensed consolidated financial statements. See Note 2 of the Notes to Consolidated Financial Statements of our 2022 2023 Form 10-K and Note 5 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for further information regarding these derivatives.

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At June 30, 2023 December 31, 2023, we had foreign exchange risk in our investment in RJ Ltd. of CAD 426 million 429 million and in our investment in Charles Stanley of £278 million £289 million, which were not hedged. All of our We had other, less significant investments consisting in foreign domiciled subsidiaries, primarily of subsidiaries located in Europe, are which were not hedged, and hedged; however, we do not believe we had material foreign exchange risk either individually, or in the aggregate, pertaining to these subsidiaries as of June 30, 2023 December 31, 2023. Foreign exchange gains/losses related to our foreign investments are primarily reflected in OCI on our Condensed Consolidated Statements of Income and Comprehensive Income. See Note 17 16 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for further information regarding our components of OCI.

Transactions and resulting balances denominated in a currency other than the U.S. dollar

We are subject to foreign exchange risk due to our holdings of cash and certain other assets and liabilities resulting from transactions denominated in a currency other than the U.S. dollar. Any currency-related gains/losses arising from these foreign currency denominated balances are reflected in "Other" revenues in our Condensed Consolidated Statements of Income and Comprehensive Income. The foreign exchange risk associated with a portion of such transactions and balances denominated in foreign currency are mitigated utilizing short-term, forward foreign exchange contracts. Such derivatives are not designated hedges and therefore, the related gains/losses are included in "Other" revenues in our Condensed Consolidated Statements of Income and Comprehensive Income. See Note 5 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for information regarding our derivatives.

Credit risk

Credit risk is the risk of loss due to adverse changes in a borrower's, issuer's, or counterparty's ability to meet its financial obligations under contractual or agreed-upon terms. The nature and amount of credit risk depends on the type of transaction, the structure and duration of that transaction, and the parties involved. Credit risk is an integral component of the profit assessment of lending and other financing activities. See further discussion of our credit risk, including how we manage such risk, in "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Credit risk" of our 2022 2023 Form 10-K.

Corporate activities

We maintain cash balances with the Fed and with various financial institutions, primarily global systemically important banks, financial institutions, in our normal course of business. A large portion of such balances are in excess of FDIC insurance limits. As a result, we may be exposed to the risk that these financial institutions may not return our cash to us in the event that the institution experiences financial distress or ceases its operations. In order to mitigate our credit risk to such financial institutions, we monitor our exposure with each institution on a daily basis and subject each institution to limits based on various factors including but not limited to financial strength, capitalization levels, liquidity, credit ratings, and market factors to the extent applicable.

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Brokerage activities

We are engaged in various trading and brokerage activities in which our counterparties primarily include broker-dealers, banks, exchanges, clearing organizations, and other financial institutions. We are exposed to risk that these counterparties may not fulfill their obligations. In addition, certain commitments, including underwritings, may create exposure

to individual issuers and businesses. The risk of default depends on the creditworthiness of the counterparty and/or the issuer of the instrument. In addition, we may be subject to concentration risk if we hold large positions in or have large commitments to a single counterparty, borrower, or group of similar counterparties or borrowers (e.g., in the same industry). We seek to mitigate these risks by imposing and monitoring individual and aggregate position limits within each business segment for each counterparty, conducting regular credit reviews of financial counterparties, reviewing security, derivative and loan concentrations, holding and calculating the fair value of collateral on as security for certain transactions and conducting business through clearing organizations, which may guarantee performance. See Note 2 of the Notes to Consolidated Financial Statements of our 2022 2023 Form 10-K and Notes 5 and 6 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for further information about our credit risk mitigation related to derivatives and collateralized agreements.

Our client activities involve the execution, settlement, and financing of various transactions on behalf of our clients. Client activities are transacted on either a cash or margin basis. Credit exposure results from client margin loans, which are monitored daily and are collateralized by the securities in the clients' accounts. We monitor exposure to industry sectors and individual securities and perform analysis on a daily basis in connection with our margin lending activities. We adjust our margin requirements if we believe our risk exposure is not appropriate based on market conditions. In addition, when clients execute a purchase, we are at some risk that the client will default on their financial obligation associated with the trade. If this occurs, we may have to liquidate the position at a loss. See Note 2 of the Notes to the Consolidated Financial Statements of our 2022

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2023 Form 10-K for further additional information about our determination of the allowance for credit losses associated with certain of our brokerage lending activities.

We offer loans to financial advisors for recruiting and retention purposes. We have credit risk and may incur a loss primarily in the event that such borrower is no longer affiliated with us. See Note 2 of the Notes to the Consolidated Financial Statements of our 2022 2023 Form 10-K and Note 8 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q for further information about our loans to financial advisors.

Banking activities

Our Bank segment has a substantial loan portfolio. Our strategy for credit risk management related to bank loans includes well-defined credit policies, uniform underwriting criteria, and ongoing risk monitoring and review processes for all credit exposures. The strategy also includes diversification across loan types, geographic location, industry locations, industries and client level, clients, regular credit examinations and management reviews of all corporate and tax-exempt loans as well as individual delinquent residential loans. The credit risk management process also includes annual independent reviews at least annually of the credit risk monitoring process that performs assessments of compliance with credit policies, risk ratings, and other critical credit information. We seek to identify potential problem loans early, record any necessary risk rating changes and charge-offs promptly, and maintain appropriate reserve levels for expected losses. We utilize a thorough credit risk rating system to measure the credit quality of individual corporate and tax-exempt loans and related unfunded lending commitments. For our residential mortgage loans and substantially all of our SBL, we utilize the credit risk rating system used by bank regulators in measuring the credit quality of each homogeneous class of loans. In evaluating credit risk, we consider trends in loan performance, historical experience through various economic cycles, industry or client concentrations, the loan portfolio composition and macroeconomic factors (both current and forecasted). These factors have a potentially negative impact on loan performance and net charge-offs.

While our bank loan portfolio is diversified, a significant downturn in the overall economy, deterioration in real estate values or a significant issue within any sector or sectors where we have a concentration will generally result in large provisions for credit losses and/or charge-offs. We determine the allowance required for specific loan pools based on relative risk characteristics of the loan portfolio. On an ongoing basis, we evaluate our methods for determining the allowance for each class of loans and make enhancements we consider appropriate. Our allowance for credit losses methodology is described in Note 2 of the Notes to the Consolidated Financial Statements of our 2022 2023 Form 10-K. As our bank loan portfolio is segregated into six portfolio segments, likewise, the allowance for credit losses is segregated by these same segments. See "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Credit risk" of our 2022 2023 Form 10-K for further information about the risk characteristics relevant to each portfolio segment.

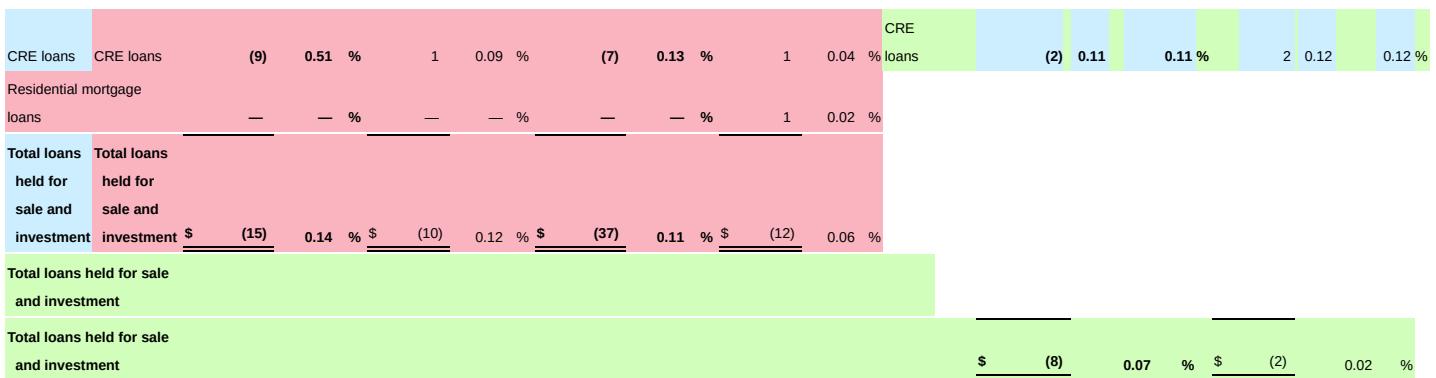
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The level of charge-off activity is a factor that is considered in evaluating the potential severity of future credit losses. The following table presents net loan (charge-offs)/recoveries and the annualized percentage of net loan (charge-offs)/recoveries to the average outstanding loan balances by loan portfolio segment.

Three months ended June 30,										Nine Months Ended June 30,										Three months ended December 31,	
		2023		2022		2023		2022		2023		2022		2023	2022						
\$ in millions	\$ in millions	Net loan (charge-off)/recovery	Annualized outstanding	% of avg. loans	% of avg. loans																
C&I loans	C&I loans	\$ (6)	0.22 %	\$ (11)	0.46 %	\$ (30)	0.36 %	\$ (14)	0.21 %	\$ (6)	0.23 %	\$ (4)	0.14 %								
C&I loans																					
C&I loans																					



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The level of nonperforming assets is another indicator of potential future credit losses. Nonperforming assets are comprised of both nonperforming loans and other real estate owned. Nonperforming loans include those loans which have been placed on nonaccrual status and certain accruing loans which are 90 days or more past due and in the process of collection. The following table presents the balance of nonperforming loans, nonperforming assets, and related key credit ratios.



(1) Nonperforming loans at **June 30, 2023** **December 31, 2023** and **September 30, 2022** **September 30, 2023** included **\$118** **\$87** million and **\$63** **\$96** million of loans, respectively, which were current pursuant to their contractual terms.

The increase in nonperforming loan balances in the preceding table excluded \$8 million loans and \$7 million assets as of June 30, 2023 and September 30, 2022, respectively, December 31, 2023 as compared with September 30, 2023 was primarily due to two loans that were placed on nonaccrual status with an associated allowance during the three months ended December 31, 2023. See table summarizing nonaccrual loans by category in Note 7 of residential troubled debt restructurings which were returned the Notes to accrual status in accordance with our policy.

Condensed Consolidated Financial Statements of this Form 10-Q. Although our nonperforming assets as a percentage of our Bank segment's assets remained low as of **June 30, 2023** December 31, 2023, any prolonged period of market deterioration could result in an increase in our nonperforming assets, an increase in our allowance for credit losses and/or an increase in net charge-offs in future periods, although the extent would depend on future developments that are highly uncertain.

See further explanation of our bank loan portfolio segments, allowance for credit losses, and the credit loss provision in Note 7 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q and "Management's Discussion and Analysis - Results of Operations - Bank" of this Form 10-Q and Note 2 of the Notes to the Consolidated Financial Statements of our **2022** 2023 Form 10-K.

Loan underwriting policies

Our underwriting policies for the major types of bank loans are described in "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Credit risk" of our **2022** 2023 Form 10-K.

Risk monitoring process

Another component of credit risk strategy for our bank loan portfolio is the ongoing risk monitoring and review processes, including our internal loan review process, as well as our rigorous processes to manage and limit credit losses arising from loan delinquencies. There are various other factors included in these processes, depending on the loan portfolio. There were no significant changes to those processes during the three months ended **June 30, 2023** December 31, 2023. See further discussion of our risk monitoring process in "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Credit risk - Banking activities" of our 2023 Form 10-K.

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SBL and residential mortgage loan portfolios

Substantially all collateral securing our SBL portfolio is monitored on a daily basis. Collateral adjustments, as triggered by our monitoring procedures, are made by the borrower as necessary to ensure our loans are adequately secured, resulting in minimizing our credit risk. Collateral calls have been minimal relative to our SBL portfolio with insignificant no losses incurred to date. during the three months ended December 31, 2023.

We track and review many factors to monitor credit risk in our residential mortgage loan portfolio. The factors include, but are not limited to: loan performance trends, loan product parameters and qualification requirements, borrower credit scores, level of documentation, loan purpose, geographic concentrations, average loan size, risk rating, and LTV ratios. See Note 7 of the Notes to the Condensed Consolidated Financial Statements of this Form 10-Q for additional information about our residential mortgage loan portfolio.

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The following table presents a summary of delinquent residential mortgage loans, the vast majority of which are first mortgage loans, which are comprised of loans which are two or more payments past due as well as loans in the process of foreclosure.

\$ in millions	Amount of delinquent residential mortgage loans			Delinquent residential mortgage loans as a percentage of outstanding residential mortgage loan balances		
	30-89 days	90 days or more	Total	30-89 days	90 days or more	Total
June 30, 2023	\$ 3	\$ 4	7	0.03 %	0.05 %	0.08 %
September 30, 2022	\$ 6	\$ 6	12	0.08 %	0.08 %	0.16 %

\$ in millions	Amount of delinquent residential mortgage loans			Delinquent residential mortgage loans as a percentage of outstanding residential mortgage loan balances		
	30-89 days	90 days or more	Total	30-89 days	90 days or more	Total
December 31, 2023	\$ 5	\$ 3	8	0.06 %	0.03 %	0.09 %
September 30, 2023	\$ 3	\$ 4	7	0.03 %	0.05 %	0.08 %

Our **June 30, 2023** December 31, 2023 percentage compares favorably to the national average for over 30 day delinquencies of **1.91%** **1.88%**, as most recently reported by the Fed.

Credit risk is also managed by diversifying the residential mortgage portfolio. Most of the loans in our residential loan portfolio are to PCG clients across the U.S. The following table details the geographic concentrations (top five states) of our one-to-four family residential mortgage loans.

	June 30, 2023		
	Loans outstanding as a % of total residential mortgage loans held for sale and investment		Loans outstanding as a % of total loans held for sale and investment
	CA	25%	5%
FL	17%		3%

TX	8%	2%
NY	8%	1%
CO	4%	1%

	December 31, 2023	
	Loans outstanding as a % of total residential mortgage loans held for sale and investment	Loans outstanding as a % of total loans held for sale and investment
California	24%	5%
Florida	18%	4%
Texas	8%	2%
New York	8%	1%
Colorado	4%	1%

The occurrence of a natural disaster or severe weather event in any of these states, for example wildfires in California and hurricanes in Florida, could result in additional credit loss provisions and/or charge-offs on our loans in such states and therefore negatively impact our net income and regulatory capital in any given period.

Loans where borrowers may be subject to payment increases include adjustable rate mortgage loans with terms that initially require payment of interest only. Payments may increase significantly when the interest-only period ends and the loan principal begins to amortize. At **June 30, 2023** **December 31, 2023** and **September 30, 2022** **September 30, 2023**, these loans totaled **\$2.78 billion** **\$2.87 billion** and **\$2.55 billion** **\$2.85 billion**, respectively, or approximately **33%** **32%** and **35%** **33%** of the residential mortgage portfolio, respectively. The weighted-average number of years before the remainder of the loans, which were still in their interest-only period at **June 30, 2023** **December 31, 2023**, begins amortizing is six years.

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Corporate and tax-exempt loans

Credit risk in our corporate and tax-exempt loan portfolios is monitored on an individual loan basis. The majority of our tax-exempt loan portfolio is comprised of loans to investment-grade borrowers. Credit risk is managed by diversifying the corporate bank loan portfolio. Our corporate bank loan portfolio does not contain a significant concentration in any single industry. The following table details the industry concentrations (top five categories) of our corporate bank loans.

June 30, 2023			December 31, 2023			December 31, 2023		
	Loans outstanding	as a % of total corporate bank loans held for sale and investment		Loans outstanding	as a % of total corporate bank loans held for sale and investment		Loans outstanding as a % of total corporate bank loans held for sale and investment	Loans outstanding as a % of total loans held for sale and investment
Multi-family	11%	5%	Multi-family	12%	5%			
Industrial warehouse	9%	4%	Industrial warehouse	9%	4%			
Office real estate			Office real estate	7%	3%			
Loan fund	7%	3%	Loan fund	6%	3%			
Office real estate	6%	3%						

Consumer products and services	5%	2%
Subscription lines of credit	Subscription lines of credit	5%

The Fed's measures to control inflation, including through increases in short-term interest rates in prior fiscal years, have had a dampening effect on the economy. Coupled with the present uncertainty regarding future Fed interest rate cuts, both in terms of timing and are likely magnitude, all lead to our expectation that such dampening will continue to do so in the near-term during our fiscal 2024. These and related factors could continue to negatively impact our borrowers, particularly those borrowers. We continue to closely monitor economic factors, including inflation, interest rates, and a potential recession, that may impact our corporate loan portfolio, including our CRE portfolio. We continue to maintain conservative underwriting standards for our CRE portfolio, including LTV limits that generally range between 65% to 80% at origination depending upon property type. LTV ratios are subject to change over the life of the loan as property values change. Our underwriting standards for our CRE portfolio, including LTV at origination, may be tightened in rate-sensitive industries. In response to changing trends, and industry-wide challenges following times of uncertainty. Further, within the COVID-19 pandemic, CRE portfolio, we have closely monitored each loan in limited our commercial real estate portfolio, particularly exposure to office real estate utilizing LTV ratios loans to 3% of total loans held for sale and other metrics. We have also focused on reducing our corporate loan exposure in certain sectors with increasing credit concerns, and investment. In addition, we have sold approximately \$450 million, before charge-offs and discounts or premiums, or may continue to sell corporate loans during the three months ended June 30, 2023. Additional sales of corporate loans may be made during the remainder of fiscal 2023 as part of our credit risk mitigation strategies. However, to the extent credit spreads widen and present what we consider to be an attractive risk-adjusted return, we may increase our pace of corporate loan growth over the year-to-date levels during our fiscal fourth quarter of 2023.

Liquidity risk

See the section "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and capital resources" of this Form 10-Q for information regarding our liquidity and how we manage liquidity risk.

Operational risk

Operational risk generally refers to the risk of loss resulting from our operations, including, but not limited to, business disruptions, improper or unauthorized execution and processing of transactions, deficiencies in our technology or financial operating systems and inadequacies or breaches in our control processes, including cybersecurity incidents. See "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Operational risk" of our 2022 2023 Form 10-K for a discussion of our operational risk and certain of our risk mitigation processes.

Periods of severe market volatility can result in a significantly higher level of transactions on specific days, which may present operational challenges from time to time that may result in losses. These losses can result from, but are not limited to, trade errors, failed transaction settlements, late collateral calls to borrowers and counterparties, or interruptions to our system processing. We did not incur any significant losses related to such operational challenges during the nine three months ended June 30, 2023 December 31, 2023.

As more fully described in the discussion of our business technology risks included in various risk factors presented in "Item 1A - Risk Factors" of our 2022 2023 Form 10-K, despite our implementation of protective measures and endeavoring to modify them as circumstances warrant, our computer systems, software and networks may be vulnerable to human error, natural disasters, power loss, cyber-attacks and other information security breaches, and other events that could have an impact on the security and stability of our operations.

Model risk

Model risk refers to the possibility of unintended business outcomes arising from the design, implementation or use of models. See "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Model risk" of our 2022 2023 Form 10-K for information regarding how we utilize models throughout the firm and how we manage model risk.

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Compliance risk

Compliance risk is the risk of legal or regulatory sanctions, financial loss, or reputational damage that the firm may suffer from a failure to comply with applicable laws, external standards, or internal requirements. See "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management - Compliance risk" of our 2022 2023 Form 10-K for information on our compliance risks, including how we manage such risks.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See "Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk management" of this Form 10-Q for our quantitative and qualitative disclosures about market risk.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls are procedures designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, such as this report, are recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls are also designed to ensure that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives, as ours are designed to do, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Securities Exchange Act of 1934 Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures are effective.

Changes in Internal Control over Financial Reporting

There were no changes during the three months ended **June 30, 2023** **December 31, 2023** that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

Not applicable.

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ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

We did not have any sales of unregistered securities for the **nine** **three** months ended **June 30, 2023** **December 31, 2023**.

We purchase our own stock from time to time in conjunction with a number of activities, each of which is described in the following paragraphs. The following table presents information on our purchases of our own stock, on a monthly basis, for the **nine** **three** months ended **June 30, 2023** **December 31, 2023**.

	Total number of shares purchased	Average price per share	Number of shares purchased as part of publicly announced plans or programs	Approximate dollar value (in millions) at each month-end of securities that may yet be purchased under the plans or programs
October 1, 2022 – October 31, 2022	358,103	\$ 105.94	354,313	\$800
November 1, 2022 – November 30, 2022	78,798	\$ 120.60	—	\$800
December 1, 2022 – December 31, 2022	937,747	\$ 106.64	937,737	\$1,400
First quarter	1,374,648	\$ 107.26	1,292,050	
January 1, 2023 – January 31, 2023	53,430	\$ 114.90	—	\$1,400
February 1, 2023 – February 28, 2023	13,586	\$ 113.49	—	\$1,400
March 1, 2023 – March 31, 2023	3,745,485	\$ 93.45	3,745,388	\$1,050
Second quarter	3,812,501	\$ 93.82	3,745,388	
April 1, 2023 – April 30, 2023	111,500	\$ 89.67	111,500	\$1,040
May 1, 2023 – May 31, 2023	2,069,035	\$ 87.79	2,069,035	\$858
June 1, 2023 – June 30, 2023	1,135,079	\$ 95.55	1,133,895	\$750
Third quarter	3,315,614	\$ 90.51	3,314,430	
Fiscal year-to-date total	8,502,763	\$ 94.70	8,351,868	

	Total number of shares purchased	Average price per share	Number of shares purchased as part of publicly announced plans or programs	Approximate dollar value (in millions) at each month-end of securities that may yet be purchased under the plans or programs
October 1, 2022 – October 31, 2022	358,103	\$ 105.94	354,313	\$800
November 1, 2022 – November 30, 2022	78,798	\$ 120.60	—	\$800
December 1, 2022 – December 31, 2022	937,747	\$ 106.64	937,737	\$1,400
First quarter	1,374,648	\$ 107.26	1,292,050	
January 1, 2023 – January 31, 2023	53,430	\$ 114.90	—	\$1,400
February 1, 2023 – February 28, 2023	13,586	\$ 113.49	—	\$1,400
March 1, 2023 – March 31, 2023	3,745,485	\$ 93.45	3,745,388	\$1,050
Second quarter	3,812,501	\$ 93.82	3,745,388	
April 1, 2023 – April 30, 2023	111,500	\$ 89.67	111,500	\$1,040
May 1, 2023 – May 31, 2023	2,069,035	\$ 87.79	2,069,035	\$858
June 1, 2023 – June 30, 2023	1,135,079	\$ 95.55	1,133,895	\$750
Third quarter	3,315,614	\$ 90.51	3,314,430	
Fiscal year-to-date total	8,502,763	\$ 94.70	8,351,868	

October 1, 2023 – October 31, 2023	2,602	\$ 100.13	—	\$750
November 1, 2023 – November 30, 2023	516,466	\$ 99.63	439,678	\$1,500
December 1, 2023 – December 31, 2023	970,735	\$ 110.03	968,566	\$1,393
First quarter	1,489,803	\$ 106.40	1,408,244	

In December 2022, November 2023, the Board of Directors authorized repurchase of our common stock in an aggregate amount of up to \$1.5 billion, which replaced the previous authorization.

In the preceding table, the total number of shares purchased includes shares purchased pursuant to the Restricted Stock Trust Fund, which was established to acquire our common stock in the open market and used to settle RSUs granted as a retention vehicle for certain employees of our wholly-owned Canadian subsidiaries. For more information on this trust fund, see Note 2 of the Notes to Consolidated Financial Statements of our 2022 2023 Form 10-K and Note 9 of the Notes to Condensed Consolidated Financial Statements of this Form 10-Q. These activities do not utilize the repurchase authorization presented in the preceding table.

The total number of shares purchased also includes shares repurchased as a result of employees surrendering shares as payment for option exercises or withholding taxes. These activities do not utilize the repurchase authorization presented in the preceding table.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None of our directors or officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the three months ended **June 30, 2023** December 31, 2023.

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ITEM 6. EXHIBITS

Exhibit Number	Description
3.1.1	Amended and Restated Articles of Incorporation of Raymond James Financial, Inc. as filed with the Secretary of State of Florida on February 28, 2022, incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission on May 9, 2022.
3.1.2	Articles of Amendment to Amended and Restated Articles of Incorporation of Raymond James Financial, Inc. relating to the Raymond James Financial, Inc. 6.75% Fixed-to-Floating Rate Series A Non-Cumulative Perpetual Preferred Stock, \$0.10 par value per share, incorporated by reference to Exhibit 3.3 to the Company's Registration Statement on Form 8-A, filed with the Securities and Exchange Commission on May 31, 2022.
3.1.3	Articles of Amendment to Amended and Restated Articles of Incorporation of Raymond James Financial, Inc. relating to the Raymond James Financial, Inc. 6.375% Fixed-to-Floating Rate Series B Non-Cumulative Perpetual Preferred Stock, \$0.10 par value per share, incorporated by reference to Exhibit 3.4 to the Company's Registration Statement on Form 8-A, filed with the Securities and Exchange Commission on May 31, 2022.
3.2	Amended and Restated By-Laws of Raymond James Financial, Inc., reflecting amendments adopted by the Board of Directors on February 24, 2023 August 21, 2023, incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on March 1, 2023.
10.1	Amended and Restated Credit Agreement, dated as of April 6, 2023 August 25, among Raymond James Financial, Inc., Raymond James & Associates, Inc., the Lenders party thereto and Bank of America, N.A. incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on April 12, 2023 2023.
31.1	Certification of Paul C. Reilly pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Paul M. Shoukry pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of Paul C. Reilly and Paul M. Shoukry pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RAYMOND JAMES FINANCIAL, INC.

(Registrant)

Date: August 4, 2023 February 7, 2024

/s/ Paul C. Reilly

Paul C. Reilly

Chair and Chief Executive Officer

Date: August 4, 2023 February 7, 2024

/s/ Paul M. Shoukry

Paul M. Shoukry

Chief Financial Officer

99.86

EXHIBIT 31.1

CERTIFICATIONS

I, Paul C. Reilly, certify that:

- I have reviewed this quarterly report on Form 10-Q of Raymond James Financial, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's Board of Directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **August 4, 2023** February 7, 2024

/s/ PAUL C. REILLY

Paul C. Reilly
Chair and Chief Executive Officer

10087

EXHIBIT 31.2

CERTIFICATIONS

I, Paul M. Shoukry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Raymond James Financial, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

- b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's Board of Directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **August 4,**
2023 February 7, 2024

/s/ PAUL M. SHOUKRY

Paul M. Shoukry
 Chief Financial Officer

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EXHIBIT 32

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF
 FINANCIAL OFFICER PURSUANT TO
 18 U.S.C. SECTION 1350,
 AS ADOPTED PURSUANT TO
 SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Raymond James Financial, Inc. (the "Company") on Form 10-Q for the quarter ended **June 30, 2023** **December 31, 2023** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ PAUL C. REILLY

Paul C. Reilly
 Chair and Chief Executive Officer

August 4, 2023 February 7, 2024

/s/ PAUL M. SHOUKRY

Paul M. Shoukry
 Chief Financial Officer

August 4, 2023 February 7, 2024

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