

» What you should know about ABG



Mission Statement

“ABG Services Incorporated was established to provide a competitive marketplace where institutional portfolio managers can purchase federally insured Certificates of Deposits through a platform of deposit programs consisting of hundreds of federally insured financial institutions nationwide.”

Background

ABG Services was founded in 1997 on the basis of facilitating deposit placements between FDIC-member financial institutions and portfolio managers of state & federal credit unions, non-profit organizations, banking institutions and trust companies. By the year 2000, ABG expanded their deposit services to business managers of local government entities such as school districts, counties and other state and local municipalities. Today, ABG is one of the leading deposit referral companies in the industry executing over 24,000 transactions annually.

ABG is owned and managed by its three partners who set and oversee the firm’s business strategies and objectives. Andrew Bayliss is the firm’s President; Vincent Arma is Vice President and Head of Investor Sales; and Dominick Gallelli is the Treasurer and Director of Banking Deposits. All three partners have a combined experience of over 60 years in the CD industry.

ABG has one affiliated company, ICD Securities Incorporated, which is a registered broker-dealer and member of the FINRA (Financial Industry Regulatory Association). ICD specializes in brokered certificates of deposits registered through the Depository Trust Company. It also provides investment services to financial managers of banking institutions, credit unions and municipal entities. All DTC eligible certificates of deposits and Government and Agency securities transactions are executed through ICD Securities, Inc.

Deposit Volume

ABG has referred over \$15 billion dollars in bank deposits with federally insured institutions since its inception. The majority of our placements have been with institutional depositors; however in the past 3 years public funds represent nearly 65 percent of the overall placements.

Deposit Programs

ABG offers 6 types of deposit placements:

- » **Direct Deposits** -ABG will refer depositors directly to the bank without third party involvement.
- » **Preferred Deposits** -These deposits allow ABG to facilitate the paperwork between its clients and your institution. This ensures that all our clients’ information is received properly and in a timely fashion. It also assists your staff in gathering the information needed to set up accounts without having to contact numerous authorized individuals.
- » **Collateralized Deposits** -For banks seeking large deposit placements who are willing to pledge a permitted form of collateral such as a Federal Home Loan Bank Letter of Credit or a portfolio of assets (U.S. Treasuries ~ Government Agencies) in a third-party custodial account.
- » **Uncollateralized Deposits** -For banks seeking large deposit placements that do not require any pledging beyond the FDIC insurance limitation of \$100,000. Qualified banks must meet strict credit parameters.
- » **Total Cost Deposits**—These brokered deposits are best suited for well-capitalized banks who are seeking a cost effective way of attracting funds at rates below the current national market.
- » **DTC Eligible CD Program** -For banks who are seeking to attract large deposits through the brokered CD market. All DTC eligible certificates of deposits underwritings will be handled through our broker dealer, ICD Securities Inc., a registered Broker Dealer and a member of FINRA/S.E.C.

TO DISCUSS FURTHER DETAILS OF OUR PROGRAM OR INQUIRE ABOUT WHAT RATES ARE NEEDED TO ATTRACT FUNDS, PLEASE CONTACT YOUR FUNDS SPECIALIST TODAY AT 1.800.807.3447.



» Why use a Deposit Referral Service?



5 REASONS why so many Financial Institutions are turning to Deposit Referral Services to meet their liquidity needs:

LOCAL DEPOSITS	VS	DEPOSIT REFERRAL
<ul style="list-style-type: none">Generally smaller dollar amounts that may not fulfill your liquidity needs in a timely fashion.		<p>Larger dollar amounts that quickly satisfy liquidity needs.</p>
<ul style="list-style-type: none">Advertising to the core deposit market is necessary for banks looking to grow liquidity. The cost of advertising not only cuts into profits but historically has limited results. Above market rate promotions usually lure local HOT RATE customers.		<p>The funds can be raised without paying costly advertising fees. In most cases the deposits you receive are part of a larger investment portfolio that thrives on the need for renewal rates.</p>
<ul style="list-style-type: none">It is the responsibility of your institution to collect and file all reporting associated with each deposit, a timely and costly procedure.		<p>All reporting will be streamlined through ABG Services - one call to us will satisfy all your due diligence needs.</p>
<ul style="list-style-type: none">Funds spent up front without any guarantees. This leaves a lot of guesswork when attracting deposits and meeting liquidity needs.		<p>All costs are provided up front displaying the end results prior to spending one penny. This allows you a more accurate cost analysis.</p>

LOWER COST OF FUNDS + LESS WORK = MORE PROFIT!

- Why pay fees to rate line services with little or no results?
- Why pay to display your rates alongside the competition causing you to pay up on your rates when you need funds?
- This is a very controlled program; you only take what you need.
- Why tie up your staff with lengthy paperwork and phone calls?
- We will refer accounts to your institution in increments of \$95,000 or greater. This will allow you to open fewer accounts and put less stress on your staff.

PLEASE NOTE: only well capitalized banking institutions should utilize a referral service to help meet liquidity shortfalls. Special funding such as referred deposits should fit into your institution's overall AML strategy. There should not be any particular stigma associated with the acceptance of referred deposits. In written correspondence with the FDIC they have indicated that the acceptance and use of these types of deposits should not be discouraged.

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» What types of deposits should you expect from ABG



In this time of banking, satisfying the CIP requirements is on the top of all financial institutions' priority list. ABG Services Inc. accounts are solely "domestic" financial institutions and public advisors. The majority of our clients are either FDIC-member financial institutions or are registered with SEC Exchange Commission and therefore must comply with all "CIP" requirements since they are regulated by federal and state agencies. ABG conducts a thorough review of all customers which are not financial institutions who subscribe to our services. We gather information and check it against the Office of Foreign Assets Control or "OFAC List" available on the FINRA website. If a person or entity is listed on this list, we will report these parties to the appropriate authorities.

When ABG develops a new financial institution account, we perform an evaluation on the institution using industry resources such as IDC, Shessonoff Rating Services, the FDIC website and NCUA website. All FDIC or NCUA Chartered institutions must comply with CIP and the Patriot Act and section 103.121 (b) (2) (ii) (c) which states that domestic financial institutions are considered exempt domestic customers. Therefore, all exempt customers as defined in the U.S. Patriot Act that we refer to your institution would not have to be checked to avoid duplicate reviews. ABG will assist in obtaining whatever documents your institution may require to open certificate of deposit accounts. ABG does not clear funds that are referred to your institution, as the funds come directly to you from the referred accounts themselves. Please feel free to contact us for a full copy of our company's AML policy.

ABG has always prided itself on dealing primarily with regulated entities, avoiding certain exposures that are associated with individuals and private companies. We service only companies whose information can be verified. Our goal is for a mutually beneficial relationship as well as an accurate representation of your organization.

FOR MORE INFORMATION PLEASE CONTACT US AT 1.800.807.3447.



» Choose the funding program that is right for you!



Deposit Volume

Since inception, ABG has referred over \$15 billion in bank deposits to federally insured institutions for maturity durations ranging from 30 days to 10 years. The majority of the placements have been from domestic financial institutions; however in the past 3 years domestic public funds represent nearly 65 percent of the overall placements.

UNLIKE OTHER DEPOSIT REFERRAL SERVICES ABG IS THE ONLY ONE THAT OFFERS YOU A FULL SPECTRUM OF FUNDING SOURCES:

- › **Direct Placements** - These deposits are transacted directly from our clients without any third party involvement.
- › **Preferred Placements** - These deposits allow ABG to facilitate the paperwork between its clients and your institution ensuring that all our clients' information is received properly and in a timely fashion. This also assists your staff in gathering the information needed to set up accounts without having to contact numerous authorized individuals.
- › **Collateralized Deposits** - For banks seeking large deposit placements who are willing to pledge a permitted form of collateral such as Federal Loan Bank Letters of Credit or a portfolio of assets (U.S. Treasuries, Gov't Agencies) in a third-party custodial account.
- › **Uncollateralized Deposits** - For banks seeking large deposit placements that exceed \$100,000 without pledging beyond the FDIC insurance limitation of \$100,000. Qualified banks must meet strict credit parameters.
- › **Total Cost Deposits** - These brokered deposits are best suited for well-capitalized banks who are seeking a cost-effective way of attracting funds at rates below the current national market.
- › **Depository Trust Program (DTC)** - For banks who are seeking large deposits through the broker deposit market with minimum placements of \$1 million or more. These deposits will be executed thru ICD Securities Inc., our affiliated FINRA Company.
- › **Agent or Custodial Accounts** - For banks looking for single deposits in increments of \$75,000 up to \$5,000,000. There are no fees involved in attracting these funds. This affords your institution the opportunity to attract larger denomination deposits eliminating the paperwork associated with opening numerous accounts.

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