

A WORD ABOUT

FINANCIAL REFORM

August 12, 2010

On July 21, 2010 the Dodd-Frank Wall Street Reform and Consumer Protection Act was signed into law. The passing of this bill brings with it a host of new consumer protections and financial safeguards which will impact investors and the financial industry for years to come.

A main focus of the new legislation is to provide investors additional transparency into the pricing, fees and complexity of financial products. This will be achieved in part through increased standards of investor disclosure. In addition, the law commissioned further study of the differences between legal standards of care between investment advisers and broker-dealers and the possible broader application of fiduciary standards in our industry. The provisions of this new law, some of which will be determined as a result of studies of industry practices and additional rulemaking, will have an impact on our business, services and the products we offer our clients.

Among the potential outcomes of these studies are equal standards covering both investment advisers and broker-dealers who provide personalized investment advice to their individual clients. Many of Janney's client relationships, those in which we serve in an investment advisory capacity, are already held to a higher level of fiduciary care. As a result, we can more easily prepare and make the necessary changes to how we interact with our clients.

Janney's management team and in-house experts have already begun interpreting the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Members of our management team actively serve on industry committees such as the Securities Industry and Financial Markets Association that will be integral in commenting on and interpreting the impact of these new regulations. The preferred result will be the implementation of clear and consistent rules that

preserve an individual investor's choice of products, services and financial advice.

At Janney, we've built our business by focusing on our clients' best interests, and that's why we feel that we are well positioned to evolve with the changes required by this reform. We understand the responsibilities that come with entrusting your financial assets to us. Being clear and upfront with the risks, fees and complex attributes of your investments has always been our goal. Our business is built on relationships, and we pride ourselves on actively listening, assessing, making recommendations and monitoring our clients' progress.

We are also fortunate to benefit from the experience of our Financial Consultants and their ability to provide advice and clearly explain the products and services we offer to clients. We remain committed to providing our Consultants with the training, professional development and continuing education needed to meet the challenges of this new regulatory environment and exceed our clients' expectations.

The unprecedented steps taken in this legislation will go a long way in helping to rebuild investor confidence. Investor confidence is critical for the future health of the financial markets and the U.S. economy as a whole. Yet, the job is far from over. Our obligation is to continue to maintain Janney's long-term track record of financial stability, to provide sound financial advice and to put our clients first, as we have for over 175 years.

The Dodd-Frank Wall Street Reform and Consumer Protection Act will have an impact on many aspects of the financial industry beyond investments. Please look for additional communications, commentary and resources from us about financial reform in the future, and contact your Janney Financial Consultant with any questions or concerns.

