

This template is provided to Plan Sponsors as a reference guide/tool as it relates to participant disclosures required by ERISA Section 404(a)(5) and the regulations thereunder, and is provided solely for informational and illustrative purposes only. To the extent applicable, the template includes fee and service descriptions with respect to programs and services offered or sponsored by Janney that have previously been disclosed to Plan Sponsors in our ERISA Section 408(b)(2) notifications to you and on our website [www.janney.com/408b2](http://www.janney.com/408b2). Janney bears no responsibility and has no obligation with respect to Plan Sponsors requirement to provide such notices to their plan participants.

[PLAN NAME]

### **Important Information Regarding Your Plan**

This document contains important information concerning the Plan, which is being provided to you on behalf of [PLAN SPONSOR] (Plan Sponsor). The first section provides you with information about the Plan and its investment features in general. The second section provides information about the expenses you may incur through participation in the Plan or through taking advantage of different Plan features. The third section provides certain additional information about the Plan's investment alternatives.

If you have questions concerning any of this information, please contact [CONTACT NAME] at [PHONE / ADDRESS].

#### **I. General Plan Information**

##### Investment Instructions for Your Plan Account

A brokerage account with Janney Montgomery Scott LLC (Firm) has been established for your Plan account. You may direct the investments in your brokerage account. For example, you may direct the purchase or sale of investment funds or individual securities. You may also appoint an investment adviser under the Firm's various advisory programs, which include the following:

- Compass (including Financial Institution Employee Discretionary), Pioneer, Keystone, ETF Advantage, Janney Capital Management, Alternative Focus, or Russell programs;
- Partners Advisory program; or
- Adviser's (including Riverfront), Adviser's MSP or Classic program.

##### Limitations on Investment Instructions

Your ability to direct the investment of your account under the Plan is subject to the terms of your Plan. Please refer to your Summary Plan Description or contact your Plan Sponsor for information on any restrictions that may apply to your investment direction.

##### Voting and Other Similar Rights

You will generally have the ability to exercise voting rights, tender, exchange or similar ownership rights regarding any investments in your brokerage account.

No Designated Investment Alternatives; No Designated Investment Managers

The Plan does not have any particular investment alternatives or investment managers that have been designated or otherwise endorsed by the Plan Sponsor. You are generally able to invest in any investment funds and individual securities accessible through the Firm's brokerage platform for tax-exempt accounts. You are also able to access any investment adviser available under the Firm's various advisory programs.

More Information About Your Brokerage Account

More information is available with regard to your brokerage account in the Client Agreement and Disclosures (Brokerage Agreement) between the Firm and you. If applicable, more information is available with regard to any advisory program that you have selected in the investment advisory agreement (Advisory Agreement) between the Firm and you.

**II. Information About Plan-Wide Administrative Expenses and Individual Expenses**

Plan-Wide Administrative Expenses

The Plan-wide fees and expenses for general plan administrative services (e.g., legal, accounting, recordkeeping) described below are allocated and charged against your brokerage account under the Plan as follows:

**[ALTERNATIVE #1]**

Not applicable. Your account is not charged for any Plan-wide fees and expenses for general plan administrative services.

**[ALTERNATIVE #2]**

Type of Fee	Plan-Wide Fee (Amount or %)	Minimum for Plan-Wide Fee	Method for Allocating Plan-Wide Fee to Participant Accounts
Annual Recordkeeping Fee	[\$XXX] [0.YY%]	[n/a] [\$XXX]	[Flat dollar per participant] [Pro rata]

NOTE: All fees deducted from your account during a particular Plan quarter will be reflected and identified on your Plan’s quarterly account statement.

Individual Expenses

Certain fees and expenses are charged against your individual account, rather than against the Plan as a whole, in connection with certain individualized services and transactions.

**A. Brokerage Transaction Charges for Self-Directed Brokerage Account**

If you are responsible for directing the investments in your brokerage account and you have not appointed an investment adviser under one of the Firm’s various advisory programs, your brokerage account will be subject to brokerage commissions, charges, and other fees as provided in your Brokerage Agreement. The Firm does not maintain a uniform schedule of commissions for its clients, and your account’s transaction-based fees and other transaction-related charges for purchasing and selling individual securities, mutual funds and other types of investments varies depending upon the type of security bought or sold and the principal amount or share total of the applicable transaction. For transactions effected through the Firm, accounts pay fees per transaction in amounts agreed upon by the Plan and the financial adviser servicing the Plan. The fees are based on a formula taking into account the factors referenced herein and regulatory guidance so that the highest fees agreed would generally be within the range described below.

With respect to equity securities, these fees generally will range from a minimum of \$99 (unless waived) to a maximum of 5% of the principal amount for trades with a principal amount of

\$1,980 or greater. For trades with a lower principal amount, the fees generally will range from a minimum of \$99 (unless waived) to a maximum of 10% of the principal where the principal amount is \$990 or less or a maximum of \$99 for trades where the principal amount is between \$991 and \$1,980. On a per share basis, the fees generally will not exceed \$1.0531 per share for trades greater than 100 shares or \$105.31 for trades of 100 shares or less.

With respect to options transactions, the fee generally will range from a minimum of \$25 for options priced under \$1 or \$99 for options priced over \$1 (unless waived) to a maximum not to exceed \$72.41 per option.

Fixed income securities are transacted on either an agency or principal basis. With respect to fixed income securities transacted on an agency basis, the fee will generally be \$10 per bond between 1 to 25 bonds and \$5 per bond for transactions of 26 bonds or more. The fees with respect to fixed income securities transactions on a principal basis varies depending upon type of fixed income security, the quantity (notional value) and maturity. The fee ranges from 0.75% to 1.50%, depending upon the quantity (notional value) for maturities up to a year, and 1.75% to 2.75% for maturities over 10 years with appropriate fee increments for maturities between 1 and 10 years.

With respect to preferred securities executed on a principal basis, fees are limited to a mark-up/mark-down not to exceed 3%.

With respect to mutual fund transactions, depending on the particular share class, the purchase of fund shares may be subject to a front-end sales charge as described in the fund prospectus. Fund investments may be subject to other charges, such as a contingent deferred sales charge payable to the funds affiliate. Please refer to the relevant fund's prospectus, which was previously provided to you and which is generally available at the fund's website.

With respect to investments in annuity contracts, such investments may be subject to charges, such as withdrawal charges and other expenses, as described in the annuity contract prospectus.

Contact the Plan's financial advisor to confirm the amount of any commission or other fees, including any undisclosed fees, before purchasing or selling any security for your account. If you have questions concerning commissions or other fees, please contact [**CONTACT NAME**] at [**PHONE / ADDRESS**].

B. Asset-Based Fee for Advisory Program Account

If you have appointed an investment adviser under one of the Firm's various advisory programs, your account will be subject to an asset-based fee for the Firm's advisory services as fully described and disclosed in your Advisory Agreement. The fee will be calculated at an annual rate based upon the value of your account as revalued quarterly, and will be payable quarterly in advance. The asset-based fee typically includes fees, charges and expenses associated with investment management, trading and execution and custodial services.

C. Separate Charges for Brokerage Services

In addition to the individual expenses described above for a self-directed brokerage account or an advisory program account, as applicable, your account is also subject to the following Schedule of Account Service Charges:

**Schedule of Account Service Charges**  
(As of May 31, 2012)

<b>Account Services</b>		
Incoming Wire Transfers		No Charge
Outgoing Domestic Wires		\$25.00
Outgoing International Wires		\$45.00
Stop Payment		No Charge
Client Document Research Charge		\$15.00/hour
Dividend Reinvestment		
Purchases		No Charge
Liquidation of Fractional Shares		No Charge
Survivor Option Processing		No Charge
Custody/Safekeeping		\$37.50/Quarter
Issuing Physical Stock Certificates		\$500.00
Outgoing System Transfers	Direct                      Registration	\$25.00
Legal Transfers		No Charge
Worthless Security Processing		No Charge
Restricted Legal Transfers		All Agent Fees
Foreign Security Transfers		All Agent Fees
Rush Requests		All Agent Fees
Physical Bond Redemption		No Charge
Estate Valuations (Per Estate)		\$500.00 Maximum
Prepayment		Margin Interest Rate (\$20 min)
Late Payment Charge <sup>1</sup>		Margin Interest Rate
Account Maintenance Fee <sup>2</sup>		\$125.00
<b>Janney Advantage</b>		
Janney Advantage Account Annual Fee <sup>3</sup>		\$125.00
Platinum Debit Card		Included
ATM Transactions <sup>4</sup>		Included
E-bill Payment		Included
Janney Rewards <sup>SM</sup>		Included
Personal Checks		Included
Checkbook Requests		
Reorder of Personal Checks		No Charge
Business Style Checks		\$75.00
Reorder of Business Style Checks		\$62.50
Overnight Check Order Request		\$10.00
Check Copy		\$4.00/Check
Returned Checks/Insufficient Funds		\$25.00

Stop Payment	No Charge
Electronic Funds Transfer	
Incoming or Outgoing	No Charge
Returned Incoming or Outgoing	\$25.00

#### **Retirement Accounts**

##### Traditional, Roth, SEP & Simple IRAs

Annual Fee for First IRA <sup>5</sup>	\$50.00
Annual Fee for Additional IRAs <sup>5</sup>	\$10.00
Coverdell Education Savings Account	No charge

#### **Janney Prototype Qualified Plan Accounts (Profit Sharing, Money Purchase, 401(k) Plans)**

Individual Account Structure	
Set-Up Fee, Per Plan	\$75.00
Per Participant Account (up to ten)	
Annual Fee	\$50.00
Per Participant Account (after ten)	
Annual Fee	\$5.00
Comingled Account Structure	
Set-up Fee	\$75.00
Annual Fee	\$150.00

#### **Retirement and Janney Prototype Qualified Plan Accounts**

##### Outside Investments<sup>6</sup>

Set-up Fee	\$250.00
Annual Fee	\$250.00
Termination	\$100.00

#### **Account Transfers**

##### Retirement and Janney Prototype Qualified Plan Accounts

Outgoing Partial Transfer	\$15.00
Outgoing Full Transfer	\$100.00
Non-Retirement Accounts	
Incoming Account Transfer	No Charge
Outgoing Partial Account Transfer	\$15.00
Outgoing Full Account Transfer	\$100.00

#### **Transfer on Death (TOD) Accounts**

Registration/Re-Registration <sup>7</sup>	\$75.00
Beneficiary Changes/Updates	No Charge
Distribution Processing Fee <sup>7</sup>	\$200.00

#### **Footnotes**

1. In the event sufficient funds or securities are not received for a trade by Settlement Date, Janney reserves the right to charge interest to the account from Settlement Date until full and final payment is made. The account will be charged an interest rate based upon Janney's margin interest rate schedule for the balance. The interest rate that may be charged on such cash debit balance is subject to change without prior notice. Please contact your Financial

Advisor or view additional information about the interest rate schedule on the Janney website at: [www.janney.com/rates](http://www.janney.com/rates).

2. The Annual Account Maintenance Fee is waived for: Janney fee-based accounts; accounts that are part of a household\* with greater than \$50,000 in assets; Janney Custodial IRA accounts; Janney Advantage accounts; certain accounts holding annuity positions or non-networked mutual funds; and accounts opened less than one (1) year at the time the fee is charged in December.

3. The Janney Advantage Annual Fee is waived for: accounts that are part of a household\* with greater than \$500,000 in assets and Janney fee-based accounts. For households\* with assets of between \$250,000 and \$500,000, the Janney Advantage Annual Fee for one account, the largest of the Janney Advantage® Accounts with Cash Management features, will be waived (all additional accounts will be assessed the \$125 Annual Fee). Organizational Accounts may access the Janney Advantage Account through checks and are not eligible to receive a debit card(s) or participate in the Janney Rewards<sup>SM</sup> program.

4. The Janney Advantage Program will reimburse transaction fees assessed by an ATM's owner. Fees assessed on foreign transactions will not be reimbursed.

5. The Annual Fee for single fund family IRAs and additional IRAs based upon Social Security Number are reduced to \$10. The Annual IRA Fee is waived for accounts that are part of a household\* with greater than \$500,000 in assets and Janney fee-based accounts.

6. Outside Investments are typically not permitted to be held in Janney Retirement Accounts or Janney Prototype Qualified Plan Accounts, and set-up requires approval by Janney based upon certain criteria.

7. For additional information regarding Transfer on Death (TOD) Accounts, please refer to the Terms & Conditions of the TOD form or contact your Financial Advisor.

#### D. Plan-Related Administrative Services

The Plan may impose separate administrative service charges to your account as follows:

##### *Plan Loans*

- Loan Set Up Fee [\$50 (one-time fee)]
- Loan Maintenance Fee [\$50 (annual fee per loan)]

##### *Withdrawal/Distribution*

- Withdrawal/Distribution Processing Fee [\$75 (per check issued)]

##### *Qualified Domestic Relations Order (QDRO)*

- QDRO Processing Fee [\$150 (one-time fee)]

##### [OTHER SERVICE]

- [FEE DESCRIPTION] [\$XX (one-time fee)]

### III. Investment-Related Information for Designated Investment Alternatives

No designated investment alternatives have been selected by the Plan Sponsor for the Plan.