

# JANNEY MONTGOMERY SCOTT LLC RELATIONSHIP SUMMARY

Effective November 29, 2024

The strength of the relationships we form with our clients is our measure of success. We trust that you will have a long and successful relationship with Janney Montgomery Scott ("Janney") and your Janney Financial Advisor, and welcome the opportunity to serve you. We believe strong relationships start with informed decisions. This summary provides important information about the types of relationships you can have with Janney. Janney is registered with the Securities and Exchange Commission as both a broker-dealer and an investment adviser. Brokerage and investment advisory services and their costs differ and it is important for our clients to understand these differences.

Depending on your financial needs and personal preferences, as well as the costs associated with those services, you may choose to engage in a brokerage relationship, an advisory relationship or a combination of both relationships with us.

Janney is a member of FINRA and the Securities Investor Protection Corporation ("SIPC"). Janney encourages you to go to [Investor.gov/CRS](https://investor.gov/CRS) to access free and simple tools to research firms and financial professionals and to access educational materials about broker-dealers, investment advisers and investing.

## I. WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

***Janney offers both brokerage and advisory services to our clients.***

Janney's **brokerage services** include buying and selling securities at your direction, and providing you with investment recommendations (using research and financial tools) from time to time or at your request. We offer mutual funds, exchange traded funds (ETFs), closed-end funds, domestic and international equities, options, fixed income securities, certificates of deposit (CDs), structured notes, UITs, alternative investments and annuities. You make the ultimate decision regarding the purchase or sale of your investments. Neither Janney nor your Janney Financial Advisor provide ongoing monitoring services with respect to your brokerage account unless we state otherwise in writing. However, Janney Financial Advisors generally review the holdings in your account when providing a recommendation to you. Janney does not impose account minimums to open a brokerage account, but certain investments are subject to minimums.

Janney's **advisory services** currently include advisory programs that provide investment advice and management services by Janney, your Janney Financial Advisor, or a third-party asset manager we help you select, as well as financial planning services.

Equities and fixed income securities, mutual funds, ETFs, and other securities are available through our advisory programs, but the particular types of investments available depend on the program you select.

Depending on which advisory program you select, we will either recommend investments to you and you will make the decision (non-discretionary), or you will delegate investment decision-making authority to either your Janney Financial Advisor or a third-party asset manager and they will make the investment decisions for you (discretionary).

Your Janney Financial Advisor will assess which program is appropriate based on your stated investment objectives, goals and other factors. Your Janney Financial Advisor may also use research information, financial tools and financial planning services to make a recommendation on which program(s) fit your specific needs.

Our advisory services are offered through fee-based programs (as described below), and either we or the third-party asset manager will periodically monitor the investments in your advisory account as part of your advisory service.

You must meet certain investment minimums to open an advisory account. Current account minimums for each program are detailed in Janney's [Advisory Wrap-Fee Program Brochure](#).

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Whether you invest through a brokerage or an advisory account, we do not limit our platform to particular asset classes, proprietary investments or to investments that result in our receipt of third-party compensation. However, we expect to receive third-party compensation with respect to most of the investments we sell.

For additional information, please see [Janney Relationship Disclosures, Form ADV, Part 2A](#) and [Understanding Brokerage and Advisory Relationships](#).

**Conversation Starters:** You are encouraged to ask our financial professionals the following questions to start a conversation about our relationship and services:

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

## II. WHAT FEES WILL I PAY?

***The fees or costs you will pay depend on whether you choose brokerage services, advisory services, or both.***

For [brokerage services](#), the primary costs you will incur are transaction-based commissions for securities trades. Depending on the type of investment you select, costs can include up-front commissions for the purchase and sale of securities, syndicate related costs, as well as fees that are charged on an on-going basis for as long as you hold the investment.

If Janney buys a security from you, or sells a security to you from our own account (as “principal”), Janney will mark the price up or down, which is a benefit to us.

Because Janney and Janney Financial Advisors are compensated for each transaction, [we have an incentive to encourage you to trade more frequently](#) in brokerage accounts, and in greater amounts, and to trade with Janney as principal because Janney, in some cases, receives more revenue when you do so.

The commissions you pay when buying and selling securities in a brokerage account may be higher or lower than the fees you would pay if you bought or sold those securities in an advisory account, depending on the number of securities transactions, the type of securities purchased or sold, and other variables.

For additional information about the costs associated with our brokerage services, please see Janney’s [commission schedule](#).

For [advisory services](#), you are charged an asset-based advisory fee. Janney generally charges a wrap fee based on a percentage of the assets in your advisory account. A wrap fee is a bundled fee for services such as investment advice, including portfolio management, research, custodial services, reporting and trading and execution. Janney’s asset-based advisory fee does not cover transaction costs incurred when a third-party asset manager uses a broker other than Janney to execute a trade, or custody fees if the assets being advised upon are held in an account with another financial services firm. The total fees you pay with a wrap fee program may be higher than a typical asset-based advisory fee that does not include costs for trading and execution. We may also provide investment advisory services on a non-wrap basis where you pay separate fees for investment advisory services, custody, trading and execution.

Asset-based fees are calculated as a percentage of the value of the assets in your advisory account. The fee rate is set by the agreement between you and your Janney Financial Advisor according to the fee schedule detailed in Janney’s [Form ADV Part 2A](#). We generally bill advisory account fees in advance of each calendar quarter, based on the value of your advisory account on the last business day of the prior quarter. The more assets you invest in your account, generally the more you will pay in fees, and therefore [we have an incentive to encourage you to increase your advisory account assets](#).

If you discontinue your advisory service, Janney will rebate the asset-based fees you paid for the period of time for which services are no longer provided.

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This disclosure is provided to comply with the SEC’s Form CRS and Regulation Best Interest disclosure requirements as effective on June 30, 2020. It does not create or modify any agreement, relationship, or obligation between Janney or your Janney Financial Advisor. Please consult your Janney agreements for all terms and conditions controlling your account and relationship with us.

## Other Advisory Services

In addition to Janney's asset-based advisory programs, we offer other advisory services including retirement plan investment advisory services, financial planning services and consulting services for which you may pay an asset-based fee or a fixed fee, which is either a onetime fee or an annual fee, depending on the service. See [Managed Account Agreements and Disclosures](#) for more information.

## Additional fees

Client accounts held at Janney are subject to various account services charges depending upon the account services selected. These account services include, but are not limited to, delivery of checkbook requests or check disbursements, the processing of outgoing full or partial account transfers, prepayments to cover the cost of securities distributed from an account prior to settlement of a trade, and service charges for insufficient funds or securities that were not received for a trade by settlement date. Account level sweep fees apply to certain managed retirement accounts, such as IRAs.

If you hold mutual funds, ETFs or variable annuities, you will also incur and pay the fees, charges and expenses that are imbedded in these investments, as disclosed in the applicable prospectus or offering documents.

Important Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, please see Janney's [Form ADV Part 2A](#), [Janney Relationship Disclosures](#) and Janney's [Service Charges & Fees policy](#).

**Conversation Starter:** You are encouraged to ask our financial professionals the following questions to start a conversation about the impact of fees and costs on investments:

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

## III. WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER-DEALER OR WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

*When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money and ownership structure creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.*

### Examples of Ways Janney Makes Money and Related Conflicts of Interest:

- **Affiliated Investment Adviser:** Janney receives income from advisory fees clients pay to Janney Capital Management ("JCM"), an investment adviser owned by Janney, as a sub-advisor to our clients' accounts. As such, Janney has an incentive for you to invest assets with JCM over other non-affiliated sub-advisors available in our third-party asset manager advisory programs.
- **Third-Party Payments:** Janney receives payments from third-party asset managers and sponsors (or their affiliates) on certain investments. As such, Janney has an incentive to make available (or to invest your assets in) investments provided by the third-parties that pay us more than investments provided by third-parties that do not pay us, or pay us less.
- **Revenue Sharing:** Certain asset managers and sponsors (or their affiliates) share the revenue they earn with Janney when you invest in certain investments (primarily mutual funds, annuities and ETFs). As such, Janney has an incentive to make available and recommend (or to invest your assets in) investments of asset managers and sponsors that share their revenue with us, over investments of asset managers or sponsors that either share less or do not share their revenue.
- **Principal Trading:** Janney may buy securities from you, or sell securities to you from our own account. Because we earn compensation (such as commission equivalents, mark-ups, mark-downs and spreads, which are the difference between the price at which Janney can buy and sell a security) and receive other benefits related to principal transactions, Janney has an incentive to trade with you on a principal basis and to make available to you securities that we hold in inventory.

- **Cash Sweep:** Advisory and brokerage accounts that participate in the Janney Sweep program provide Janney additional compensation for deposits in this program. Janney has an incentive to make recommendations or investments that generate uninvested cash that will be deposited or invested through the sweep program. Special rules apply for certain managed retirement accounts, such as IRAs.

Janney does not compensate Janney Financial Advisors differently when a recommendation or investment is made to use a Janney affiliate as the investment adviser. Janney's Financial Advisors do not share in compensation from third-party payments, revenue sharing arrangements, principal trading activities, or cash sweep discussed above.

For additional information, please see [Janney Relationship Disclosures, Form ADV, Part 2A](#), and [Cash Sweep Program Disclosures](#).

**Conversation Starter:** You are encouraged to ask our financial professionals the following questions to start a conversation about conflicts of interest:

- How might your conflicts of interest affect me, and how will you address them?

#### IV. HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our Janney Financial Advisors make money in several ways. For brokerage accounts, Janney Financial Advisors receive a portion of the commission you are charged for certain transactions. See our [commission schedule](#) for more information. These commissions vary depending on a number of factors including the type and size of the investment.

For advisory services, Janney Financial Advisors will be paid a portion of the advisory fee that you pay to us. Janney Financial Advisors also receive compensation for providing additional services to you such as financial planning. When selling insurance and annuities, Janney Financial Advisors receive a portion of the premiums or commissions based on the terms of the policies.

Financial Advisors also receive non-cash compensation and other benefits from companies that provide investment products for Janney Financial Advisors to recommend to clients. Such non-cash compensation includes promotional gifts (e.g., coffee mugs, logoed shirts or gift baskets), invitations to attend conferences or educational seminars sponsored by product sponsors and providers, which include payment of related entertainment, travel, lodging and meal expenses. Certain Janney Financial Advisors

and Janney personnel also have financial interests tied to Janney's performance as a result of its ownership structure and in funds managed by the owner, and stand to benefit from making recommendations that will result in financial benefits to Janney and the Janney Financial Advisors.

For information on the conflicts of interest these payments create, see [product disclosures](#).

#### DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Conversation Starter:** You are encouraged to ask our financial professionals the following questions to start a conversation about the financial professional's disciplinary history:

- As a financial professional, do you have any disciplinary history? For what type of conduct?

#### ADDITIONAL INFORMATION

Additional information about Janney's brokerage and advisory services is available at [Janney.com](https://janney.com). You may request up-to-date information and a copy of this Relationship Summary by calling 833.511.0264 or emailing us at [CRS@janney.com](mailto:CRS@janney.com).

For more information about any disclosure referenced in this document, please visit: [www.janney.com/disclosures](https://www.janney.com/disclosures).

**Conversation Starter:** You are encouraged to ask our financial professionals the following questions to start a conversation about the contacts and complaints:

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?