



Trusted Advisors for Generations

Account Protection

at Janney Montgomery Scott LLC

As a valued client of Janney Montgomery Scott LLC (“Janney”), the assets in your account are protected in several ways. First and foremost, you have protection from Janney’s strict compliance with the Securities and Exchange Commission (“SEC”) customer protection rules. You also have account protection resulting from Janney’s membership in the Securities Investor Protection Corporation (“SIPC”). As a client, you also receive additional insurance supplementing SIPC coverage, which is provided to you at Janney’s expense.

From a Firm perspective, Janney remains a very financially stable and well capitalized Firm. Additionally, our parent company, The Penn Mutual Life Insurance Company (Penn Mutual), holds financial strength ratings of A+ (superior) from AM Best and an Aa3 (excellent) from Moody’s. As a major subsidiary of Penn Mutual, Janney’s financial position plays a contributing role in achieving those superior ratings.

The information that follows provides you additional detail about how your account is protected.

SEC Customer Protection Rule:

The customer protection rule (SEC rule 15c3-3) requires that broker/dealers segregate all fully paid customer securities from those securities used in our day-to-day business. Additionally, nearly all of our customers’ physical certificates are held in industry-owned central depositories under the control of an independent entity, the Depository Trust Company. Rule 15c3-3 also requires that we deposit cash or qualified government securities in a separate bank account restricted for the exclusive benefit of customers in an amount sufficient to cover customer account net cash balances. We perform the calculation behind this Rule every week to demonstrate compliance, and the process is reviewed annually by both FINRA and by our external auditors. We have been, and remain today, compliant with this Rule.

SIPC Protection:

SIPC is a nonprofit membership corporation formed by the U.S. Congress in 1970 to provide certain financial protection to clients of member securities firms. SIPC protection would ensure delivery of the portfolio assets to each eligible account up to \$500,000 in value (not more than \$100,000 in cash) in the case of financial failure of a SIPC member firm. SIPC has published a brochure further explaining the coverage provided. If you would like a copy, please contact your Janney Financial Consultant.

Excess SIPC Insurance:

In the highly unlikely event that our firm should ever fail and should your client assets not be recovered through properly segregated assets under the customer protection rule (SEC rule 15c3-3) or under standard SIPC protection limits, this additional insurance covers your account subject to a limit of \$24.5 million per client and an aggregate loss limit of \$100 million. Excess SIPC insurance for your account is provided through underwriters at Lloyd’s of London. If you maintain more than one account at Janney in separate capacities (i.e., individually, jointly, as a trustee), each account is protected by SIPC and the excess of SIPC insurance if needed.

Lloyd’s of London is the world’s leading insurance market. Lloyd’s is currently rated A+ by Standard & Poor’s and A by A.M. Best.

Contacting SIPC:

You may obtain more information about SIPC, including the SIPC brochure regarding investor protection, by visiting SIPC’s website, www.sipc.org, or by calling SIPC at 202.371.8300. You may also contact your Janney Financial Consultant to request a copy of the SIPC brochure regarding investor protection.

Janney Montgomery Scott LLC

1801 Market Street • Philadelphia, PA 19103 • 215.665.6000 • 800.526.6397

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