



## LETTER FROM THE PRESIDENT

From COVID-19 to worldwide racial equality protests, these past few months have reminded us that life is precious and it is something we need to protect for all, equally.

In the immortal words of Dr. Martin Luther King, "Whatever affects one directly, affects all indirectly."

A number of years ago, I signed the CEO Action Pledge for Diversity and Inclusion, and Janney began its more focused investment in work to improve the Firm's diversity and inclusion efforts for our employees, clients, and communities. No matter how empathic I want to be, I have come to understand that the experience of race in America has made it impossible for me to fully comprehend how events like the death of George Floyd affect our Black teammates, families, and clients. No one should be subject to disparate treatment and bias. We must do better and remain committed to supporting equality for all and accelerating our efforts to bring much needed change and parity to our society.

In addition to the ongoing internal efforts to further address disparities experienced by the Black community within our company and society, we recognize that there are many additional necessary steps to take in the march toward racial equality. Please refer to Janney.com to learn more about the Firm's pledges and commitments in this space.

Although it can be difficult to focus on business matters amid the current backdrop, there is an important industry change you need to be aware of that goes into effect the end of June. The U.S. Securities and Exchange Commission's Regulation Best Interest (Reg BI) helps to ensure that all Financial Advisors and their firms act in their clients' best interests when making any brokerage account recommendations. It also seeks to verify that our policies and practices are aligned with serving your best interest, and you have greater access to information that could impact your financial decisions.

One of the more immediate changes stemming from Reg BI is that you will receive a copy of Janney's Client Relationship Summary (CRS) when you open a new account, enact a retirement account rollover, or engage in certain investment strategies. While this new rule will likely have little impact on your current relationship with your Janney Financial Advisor, if you are uncertain as to how this might affect you, please don't hesitate to contact your Financial Advisor or visit [www.janney.com/crs](http://www.janney.com/crs) to review our Form CRS and other related information.

As your Financial Advisors, we remain committed to delivering timely and informed guidance to assist you in addressing your financial well-being and objectives. If your financial plan has been informal in nature, we strongly recommend putting a more formal plan in place. If you have completed one in the past, work with your Financial Advisor to update it.

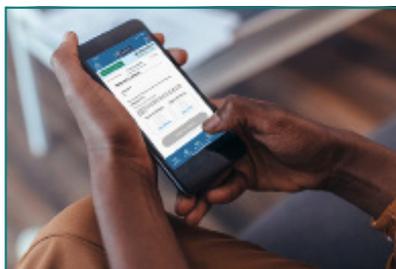
Completing a financial plan can help ensure your finances are aligned to help meet your life goals, and also provide your Financial Advisor with refreshed information and insights so they can continue to make recommendations that align with your goals and deliver advice that is in your best interest.

Lastly, I encourage you to take advantage of Janney's digital tools, especially electronic delivery of important documents such as your statements, and our Online Access Mobile App, which makes it more convenient and easier for you to manage your financial life anytime and anywhere.

On behalf of the entire Janney team, I hope you and your loved ones remain healthy and safe. Thank you for your continued partnership and trust.

Sincerely,

— Timothy C. Scheve  
*President & Chief Executive Officer*



### INTRODUCING JANNEY'S ENHANCED ONLINE ACCESS MOBILE APP

Today, it's more important than ever to manage your financial life anytime and anywhere you choose. To get started, log on to [MyJanney.com](http://MyJanney.com).



## ECONOMIC OUTLOOK — JUNE 2020

Mark Luschini, Chief Investment Strategist



*Mark serves as Janney's Chief Investment Strategist, with more than 30 years of investment industry experience. A recognized thought leader among industry and national media, he is a sought-after speaker for professional conferences and events.*

The U.S. economy is beginning to emerge from the country-wide lockdown imposed due to the outbreak of COVID-19. Many countries around the world are beginning to do the same, with notable progress being made in China, Japan, and across Europe, amongst those that encountered the deleterious effects of the pandemic before the impact was realized here at home. Indeed, economic evidence is beginning to mount that suggests the nadir of the most severe economic contraction since the Great Depression has passed. Obviously, a renewed surge in cases here or abroad could abort that positive track, so it remains an unknowable risk that healthcare and financial market professionals alike are monitoring closely.

### Still Grim News for Some Industries

To be sure, the news is still going to remain grim for many sectors of the economy where recoveries will be slower to start. Those industries such as travel, leisure and entertainment are particularly complicated in a world of social distancing, and where there is a disproportionately large number of employees whose jobs cannot be performed remotely. This will mean that even as payrolls begin to recover, nothing short of a therapeutic solution, vaccine or otherwise, will allow them to be fully engaged at a pre-pandemic level anytime soon.

While the Bureau of Labor Statistics did report an unexpected jump in employment for May, it is difficult to predict the pattern of job creation going forward given the uncertain path that

the coronavirus might take over the coming weeks or months. Still, anecdotal evidence from rising auto sales, increasing home purchase applications, and improving consumer confidence levels to name a few, collectively point to the rate of growth accelerating, perhaps quite robustly, during the next few quarters.

The unprecedented response by monetary and fiscal policymakers will also help to limit the loss of economic output that would otherwise have occurred in its absence, but provide a positive impulse to growth above that which pent-up demand alone would create. This will likely persist through next year. The stock market has responded to expectations of a lasting rebound in growth and corporate earnings. Its migration higher will depend largely on positive fundamental underpinnings that avert being undermined by the all too prevalent health, social, or political risks.

### Racial Tensions and Election Considerations

The tragic death of George Floyd, Breonna Taylor, and many others must be given due consideration in the context of societal unrest, and political and economic consequences that may develop as a result. The upcoming Presidential election will be gaining more attention as it rapidly approaches, and this is likely to be a key issue, among other variables including the economy and geopolitical relations with China, that could significantly impact its outcome. Stay tuned. ■

## JANNEY IN THE COMMUNITY



### Bethlehem, Pennsylvania

Our Bethlehem branch made sanitizer for local frontline employees and delivered COVID meals to those working overtime doing COVID testing at St. Luke's, a local hospital.



### Providence, Rhode Island

Our Providence office dropped off care packages to nearly 300 emergency room workers at six different hospitals. The team has also partnered with their local YMCA to provide paper and other supplies to help with distant learning in underprivileged communities.



### York, Pennsylvania

Members of the York branch office made 150 cards for a local nursing home, which included handwritten words of encouragement, hand drawn pictures, comic strips, and more.



## REDESIGNED MOBILE APP OFFERS MORE SPEED AND EFFICIENCY

We've enhanced our Online Access Mobile App so you can manage your financial life anytime and anywhere you choose with greater speed, convenience, and efficiency.

Now you can get immediate access to all of your financial accounts (including non-Janney accounts) through face and fingerprint recognition—using your iPhone or Android device. Here's some other enhancements that will help make it easier to stay on top of your finances:

- Securely transfer funds between accounts following simplified steps
- Pay bills quickly with direct access to outside recipients
- Deposit checks faster with the redesigned check deposit feature
- Read the latest financial insights to help you make smart, informed financial decisions
- Easily contact your Janney Financial Advisor

If you are using the existing Mobile App, you will be notified to download the new version from either the iPhone or Android app store.

If you do not already have the Janney Mobile App, use the browser on your device to log into Online Access at [www.MyJanney.com](http://www.MyJanney.com). There you can click on the App Store or Google Play Store links to download the Janney Mobile App. Or, you can search for Janney or MyJanney in either app store directly, which will take you to the same location. ■

**If you are not enrolled in Online Access, you will need to do so in order to use the Mobile App. Go to [www.MyJanney.com](http://www.MyJanney.com) and click "Sign up for Online Access."**

**Follow the prompts to create your login. If you need assistance, contact your Financial Advisor.**

## JANNEY AND YOUR BEST INTEREST

An important new financial services industry development, referred to as the "Best Interest" regulation, became effective on June 30, 2020. Its purpose is to ensure that all Financial Advisors and their Firms act in their clients' best interests when making any brokerage account recommendations regarding purchasing, selling or exchanging investments, selecting a particular investment strategy, choosing the type of investment relationship (brokerage or advisory), and when considering a qualified retirement account rollover.

Our duty of care is to form recommendations based on your investment profile, and the potential risks, rewards and costs associated with each recommendation. Your Janney Financial Advisor will recommend what is in your best interest based these factors, to help you make financial decisions toward achieving your long-term financial goals.

To learn more about our services, costs you may incur, and conflicts of interest that may be connected with recommendations and services we provide, please take a moment to visit [www.janney.com/crs](http://www.janney.com/crs) to review Janney's Client Relationship Summary (Form CRS). It is a brief, easy-to-understand summary of the services Janney offers, fees you will typically pay depending on the type of services you use, our obligations when making recommendations to you, and how Janney and Financial Advisors are compensated.

If after reviewing these documents you have more questions about Regulation Best Interest, please contact your Financial Advisor. ■



## GOVERNMENT RESPONDS TO CORONAVIRUS WITH MANY NEW RULES

Michael Repak, Vice President, Senior Estate Planner

On March 27, 2020, President Trump signed into law the CARES Act (Coronavirus Aid, Relief, and Economic

Security Act) to help provide financial stability and relief for individuals, investors, and business owners affected by COVID-19.

Major provisions include individual tax rebates, changes to IRA and required minimum distribution rules, changes to retirement

plan loans and retirement plan distributions, relief for student loan payments, changes to charitable contribution deductions, deferral of payment of payroll taxes by employers, expansion of unemployment compensation, and health- and business-related changes.

For a brief summary of the CARES Act, read more at [www.janney.com](http://www.janney.com). ■

## UPDATE TO HOUSEHOLD SERVICE FEE

Last year, Janney eliminated most account service fees and implemented a new, annual Household Service Fee to simplify our fee structure, increase transparency, and provide you with choice. Effective in 2020, the following changes have been made to the Household Service Fee:

- The fee has been increased from \$100 to \$150
- Household accounts subject to the fee will be assessed on Friday, September 18 (last year's fee was assessed in June 2019)

As in 2019, the annual Household Service Fee will **not** be assessed if your overall relationship with Janney meets one of the following criteria:

- You established your Janney accounts in the 2020 calendar year;
- Your household's account value is at least \$250,000;
- Your household accounts have in excess of 80% of their value in a fee-based advisory program; or

- All of your household accounts are enrolled in Janney's eDelivery service—which means your statements and confirmations, proxies and prospectuses, performance reporting, and tax forms, as well as any other investment-related documentation will be delivered electronically. You can enroll in eDelivery through Online Access, Janney's secure account portal.
  - If you are not already registered for Online Access, go to [www.MyJanney.com](http://www.MyJanney.com) and click "Sign up for Online Access."
  - Once logged in, select the Profile icon, then click eDelivery Preferences from the list at left.
  - Check the boxes for the messages you want to receive, for each account number, and click Update eDelivery Preferences.

For more information about the Household Service Fee, please refer to the Schedule of Account Services by visiting [www.janney.com/wealth-management/disclosures](http://www.janney.com/wealth-management/disclosures). ■

### FINRA Rule 2267 Investor Education and Protection

BrokerCheck provides investors with the ability to research the professional backgrounds, business practices, and conduct of Financial Industry Regulatory Authority (FINRA) registered brokerage firms and brokers. In connection with this program, investors may call the BrokerCheck Hotline at (800) 289-9999 and visit the FINRA website at <http://brokercheck.finra.org/>. An investor brochure that includes information describing the FINRA BrokerCheck Program is available from either of these sources.

### Account Information Verification

Financial Industry Regulatory Authority (FINRA) and other securities regulators require that broker-dealers maintain certain information about their clients and verify this information periodically. At the time your account was established, and perhaps on additional occasions since that time, you provided Janney with account information such as your name, address, investment objective, and other data. This information is being confirmed on the last pages of your June 2020 client statement. Please examine the last pages carefully. Promptly contact your Janney Financial Advisor if anything is incorrect, or if you have any questions regarding what is stated on this confirmation. If your information is correct, no action is required.

### Payment for Order Flow

Janney receives compensation or other consideration for directing customer orders to various market centers or broker-dealers. Janney monitors these orders for best execution. The source and nature of any compensation received in connection with a particular transaction will be furnished upon written request. Further information is available at [www.janney.com/disclosures](http://www.janney.com/disclosures).

### Annual Disclosure Statement Regarding Partially Called Bonds

Janney is providing this disclosure to inform you of the basic processing applied by Janney regarding the impartial lottery process for callable bonds. When you purchase bonds that are callable in part (i.e., less than the full amount of outstanding bonds may be called), per FINRA Rule 4340 (Securities Callable in Part), Janney is required to run an impartial lottery that calls bonds from client accounts on a randomly selected basis, and holds them until the applicable redemption date. The process by which client accounts are randomly selected can be found on the Janney website at: <https://www.janney.com/wealth-management/disclosures-agreements/disclosures-agreements-service/fixed-income-cds/partially-called-bond-lottery-process>.

For more information on partially called bonds, there are several websites with valuable information, including:

- Financial Industry Regulatory Authority: [www.finra.org](http://www.finra.org)
- FINRA Rule 4340: <https://www.finra.org/rules-guidance/rulebooks/finra-rules/4340>
- U.S. Securities and Exchange Commission: [www.sec.gov/answers/callablebonds.htm](http://www.sec.gov/answers/callablebonds.htm)

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