



August 8, 2011

On the evening of Friday, August 5, 2011, Standard & Poor's downgraded the U.S. long-term sovereign credit rating from AAA to AA+ (very strong). Standard & Poor's also affirmed the "A-1+" short-term rating of U.S. government debt. At this time, U.S. government debt continues to hold the highest credit rating from both Moody's and Fitch.

While in the short-term, increased market volatility is likely to result from this change – particularly in equity markets – over the longer-term, fundamental economic and fiscal conditions in the U.S., Europe and other global markets will drive financial market trends. As we continue through economic uncertainty and market volatility, these conditions can greatly impact investor confidence and spark multiple questions regarding portfolio management, asset allocation and investment plans. We are well equipped at Janney to monitor economic and market conditions and provide guidance and advice throughout this challenging time.

While we are uncertain of the exact impact this significant and historical step will have, the importance of your receiving relevant, timely communications, insights, advice and guidance from the professionals available to you at Janney is more important than ever, and we are pleased to make available to you some of the best professionals in the industry.

At the top of most investors' minds is the impact today's activities have on their investment portfolio. It's critical during times like these that decisions are made based upon your investment objectives, investment philosophy and financial plan and not simply a short-term reaction to today's news. The news is significant, historical and impactful. But we are certain this too shall pass, and we recommend taking a prudent, thoughtful approach toward any investment decisions – both short- and long-term.

Our investment strategists and analysts have been and will continue to follow the U.S. and global economy and market activity and provide regular perspectives and guidance. Our Capital Markets professionals are navigating the Treasury, municipal and equity markets to provide actionable advice. Our Wealth Management and financial planning experts are increasing their review of clients' financial plans to address rebalancing and making any necessary adjustments to address retirement income, legacy planning and other critical issues important to many of our clients and their families. Our economic and market commentary and many other resources are always available to you at [www.janney.com](http://www.janney.com) or by contacting your financial advisor directly.

We appreciate the trust you have placed in us as your financial advisor. Our Firm has been advising clients during times like these for over 175 years, and Janney's leadership, strategists, financial advisors and investment professionals are pleased to continue to guide you today and in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Scheve".

Timothy C. Scheve  
President and Chief Executive Officer