

Janney Montgomery Scott

PAYOUT ON GROSS PRODUCTION*

Annual Production	Bonus
Under \$150,000	20%
\$150,000 - \$174,999	20%
\$175,000 - \$199,999	30%
\$200,000 - \$249,999	37%
\$250,000 - \$299,999	41%
\$300,000 - \$349,999	43.50%
\$350,000 - \$464,999	44%
\$465,000 - \$799,999	44.50%
\$800,000 - \$999,999	45%
\$1,000,000 or more	46%

*Effective from April 2008

WEALTH BUILDER DEFERRED COMPENSATION**

Required Year on Year Increase in Gross

Deferred Award (% of Trailing 12-Month Gross)

	Basic	Enhanced***
\$50,000	3%	5%
13%	5%	8%
\$95,000	5%	8%
18%	8%	11%
22%	11%	17%

**To qualify an advisor must have a minimum annual production of \$350,000.

***Enhanced award is based on growth of recurring business.

Awards vest after seven years.

Janney slashed payouts to its lower producers this year. The biggest cut was to the \$150,000 to \$174,999 category, which saw cash payouts reduced from 30% to 20%. Advisors with annual production of \$175,000 to \$199,999 saw a cut in cash payout from 35% to 30%, and advisors with production of \$200,000 to \$249,999 got a reduction from 40% to 37%.

Now all Janney producers under \$175,000 receive a 20% payout. Janney also added an enhanced award to its deferred compensation plan based on the growth of recurring business. The qualification for the deferred program has been raised from \$300,000 to \$350,000 in annual production.