

Pension Planners Securities Business Continuity Plan

[NASD Rule 3510, NASD Notice to Members 04-37]

The Firm has developed a Business Continuity Plan to provide procedures for response and recovery in the event of a significant business disruption. The purpose of the Plan is to identify responsible personnel in the event of a disaster; safeguard employees' lives and firm property; evaluate the situation and initiate appropriate action; recover and resume operations to allow continuation of business; provide customers with access to their funds and securities; and protect books and records. The Plan was developed considering the types of business conducted, systems critical to support business, and geographic dispersion of offices and personnel.

Designation Of Responsibilities

The following is a list of those responsible for the Firm's Business Continuity Plan.

Responsibility	Names or Titles
Maintain and update Plan	Darin Hyatt
Approve Plan and Plan revisions; conduct annual review	William Barker
Annual testing of Plan	William Barker
Implementation of Plan when a disruption occurs	Emergency Response Team
Quarterly review of Emergency Contact Persons and report changes to regulators	NASD Executive Representative (or written designee)
Maintain and distribute Emergency Contact List	William Barker
Maintain and update Books and Records Chart	William Barker
Provide Plan information to customers: •At time of account opening •Upon request	Individual Representatives
Post Plan disclosure on the Firm's web site and update, as required	Lane Harrison
Review critical third party assurances or disaster plans or plan summaries: •At initial engagement of third party •Annually when the Firm's Plan is reviewed	William Barker

Retention And Location Of The Plan

Copies of the current and prior versions of the Business Continuity Plan are retained as follows. Copies are dated as of the effective date of the version of the Plan.

A current hard copy is retained by Compliance with a record of the senior manager's approval.

An electronic copy is retained at S Drive/Pension Planners Securities/Compliance/Business Continuity

Prior versions (including approvals) are retained by Compliance.

Back-up copies are retained off-site at Gina Duryea's home.
 [Back-up copies are retained off-site in the NASD's repository.]

Implementation Of The Plan

The Plan has been designed to be implemented in the event of a disaster that results in a significant business disruption. Whether all or only parts of the Plan are implemented depends on the nature of the disruption. Generally, a significant business disruption would include:

- Destruction of one of the Firm's offices or facilities, whether by natural causes or by other means
- Loss of life or major injuries to personnel in an office location that disables that office's ability to conduct business
- Disruption of service from a critical service provider
- Disruption of service due to wide-ranging regional outages such as a power outage

Emergency Response Team

The Firm has designated an Emergency Response Team that is responsible for implementing necessary procedures included in this Plan. The Response Team's action will depend on the nature and scope of the disruption. The "first responder" has the primary responsibility for taking action, and the "secondary responder" acts as a back-up in the event the first responder is unable to act. Where feasible, the two responders are located in different office locations.

Action	First Responder/Location	Secondary Responder/Location
Contact emergency services such as police, fire department	Judi Rua	Gina Duryea
Establish off-site command center and notify employees	Judi Rua	Gina Duryea
Contact employees regarding Plan initiatives	Judi Rua	Gina Duryea
For affected offices, evaluate business disruption and transfer employees and business operations to other locations	Judi Rua	Gina Duryea
Appoint individuals to manage business areas where needed	Judi Rua	Gina Duryea
Assess financial and operations capabilities	Jon Neubert	Gina Duryea
Determine financial and credit risk and contact banks and other counter-parties, if necessary, to secure financing to continue operations	Gina Duryea	Jon Neubert
Notify regulators in the event of a capital deficiency	Jon Neubert	William Barker

Interface with SIPC if liquidation of business is initiated	Jon Neubert	William Barker
Contact critical service providers	Gina Duryea	William Barker
Transfer mission critical functions that are disrupted	Gina Duryea	William Barker
Initiate alternative customer communications systems or procedures	Gina Duryea	William Barker

Notify customers regarding alternative access to funds and securities	Gina Duryea	William Barker
Recover back-up records when primary records are destroyed or inaccessible	Gina Duryea	William Barker
Contact regulators and notify them of contact persons and recovery plans	Gina Duryea	William Barker
[insert other actions]		

Emergency Contact List

The Firm has established an Emergency Contact List that includes the names, phone numbers (cell and land lines), e-mail addresses, and other contact information for individuals critical to the Firm's business including key employees, key vendors or service providers, regulators, insurance carriers, banks, attorneys, and other key contacts. A copy of the List is provided to each member of the Response Team and other key personnel. This list will be reviewed and updated on at least an annual basis.

Alternative Business Locations

In the event employees can no longer conduct business at one of the Firm's office locations, the following actions may be taken:

- Transfer employees to the closest unaffected office location and notify personnel
- Transfer critical systems to another office or a back-up firm or system
- Transfer business operations to another Firm office unaffected by the disruption
- Transfer business operations to a different broker-dealer or other entity

A list of offices appears in the chapter DESIGNATION OF SUPERVISORS AND OFFICES and includes the types of business conducted at each office.

Data Back-Up And Recovery

The Firm maintains its books and records in both hard copy and electronic format. The Books and Records chart (Appendix A to the Plan) indicates whether records are maintained in hard copy or electronic form; location of primary records; and back-up

site for records. In the event of an internal or external significant business disruption that causes the loss of the Firm's records (whether hard copy or electronic records), back-up records will be recovered from the back-up site.

Clearing Firm Back-Up And Recovery

The clearing firm maintains records for the Firm under the terms of the clearing agreement. The clearing firm has developed a disaster and recovery plan to recover and retrieve records lost in a disaster affecting the Firm and/or the clearing firm. Records retained by the clearing firm are included on the Firm's Books and Records chart. The Firm has received assurance from the clearing firm that its plan is consistent with SRO rule requirements and provides adequate protection of customer funds and securities held on behalf of Firm customers and back-up and recovery systems for records retained by the clearing firm. Compliance (or another person designated to review critical third party plans) will review the clearing firm plan or a summary of the plan at least annually when the Firm's Plan is reviewed.

Mission Critical Systems

Mission critical systems are systems that are necessary to ensure prompt and accurate processing of securities transactions including order taking, entry, execution, comparison, allocation, clearance and settlement, maintaining customer accounts, and providing access to customer funds and securities. The Mission Critical Systems chart (Appendix B to the Plan) identifies systems (or generally describes procedures) that are critical to the operation of the Firm's business; identifies third parties that provide those systems; and potential alternate procedures or systems for handling these critical functions in the case of a disruption.

Financial And Operational Assessments

The following describes procedures for assessing changes in operational, financial, and credit risk exposures in the event of a significant business disruption.

Operational Risk

In the event of a significant business disruption, alternative systems will be implemented to communicate with customers, employees, critical business constituents (banks, counter-parties, etc.), regulators, and other key parties depending on the nature and impact of the disruption. Communication systems are described in the section Alternative Communications.

Financial And Credit Risk

In the event of a significant business disruption, the Firm's financial status will be evaluated to determine the need for additional financing or identify capital deficiencies including the following:

- Review the impact of the disruption on the Firm's ability to conduct business
- Identify inability to satisfy obligations with counter-parties
- Contact banks or other counter-parties to secure needed additional financing

- Notify regulators of capital deficiencies
- Reduce or cease business as may be required due to capital deficiencies or inability to conduct business
- Transfer business to other financial institutions until the Firm may resume conducting business

Alternative Communications

The Firm may use a wide range of communication systems to communicate with its customers, employees, counter-parties, and regulators including telephone; mail; fax; e-mail; vendor systems (such as Bloomberg); and personal meetings. Procedures for instituting alternative communications in the event of a significant business disruption include the following, depending on the nature of the disruption:

- Identify the most expedient remaining means of communication
- Notify employees if an off-site command center has been activated
- Notify employees of alternative communication systems to be used
- Transfer communications to another firm

Determination of what communication system will be used depends on the nature of the disruption and which communication systems (electronic mail, telephone calls, etc.) are functional and the availability of personnel in the event telephone contact is necessary.

Between Customers And The Firm

In the event of a significant business disruption that disables communications systems, alternative system procedures will be implemented, including the following:

- Identify the most expedient remaining means of communication
- Notify employees regarding how to contact customers
- Contact customers about how to enter orders, how to access accounts and account assets, and other alternative business operations

Between The Firm And Its Employees

In addition to the above, the Firm has developed a system to enable senior management to contact employees in the event of an emergency. The system may include, depending on geographic dispersion of employees:

- Contact lists maintained by managers at branch offices
- "Call trees" that provide for contact initiated at senior management level and pyramiding down to reach all personnel
- A central list of all personnel and their contact information

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Between The Firm And Regulators

Communications with regulators will be conducted using the most expedient available communication system. The designated Response Team person will contact regulators regarding any major business disruption and plans for continuing business.

Business Constituent, Bank, And Counter-Party Impact

This section describes business continuity procedures regarding third parties that are critical to the conduct of the Firm's business. In most instances, contracts with critical third parties will include assurances regarding the third party's disaster recovery plans. A disruption impacting the Firm's ability to conduct business may occur either at the Firm itself or at the third party. The Business Constituent, Bank, And Counter-Party chart (Appendix C to the Plan) identifies key parties and potential alternatives in the event of a disruption.

Business Constituents

Determine whether the third party is able to continue providing critical services.

If not, identify and contact an alternate third party to provide services.

Banks And Other Financial Institutions

Determine whether the bank/financial institution is able to continue providing financing.

If not, identify and secure alternative financing.

Critical Counter-Parties

Determine whether transactions may be completed with counter-parties.

If not, contact clearing firm or counter-party directly to make alternative arrangements to complete transactions.

Other Obligations To Customers

Accepting Customer Orders

In the event the Firm's systems for accepting customer orders are disrupted, alternative systems will be communicated to customers and to employees including, where appropriate:

Accepting orders by telephone or other alternative means

Communicating orders to trading desks (internal or external) or order execution systems by telephone or other alternative means

Prompt Access To Funds And Securities

When customer access to funds and securities is impacted by a significant business disruption, customers will be notified by whatever expedient means is available (telephone, e-mail, etc.) regarding who may be contacted to request funds or securities. If the Firm is unable to continue business operations, customers will be notified of an alternative financial institution where they may conduct business and access their funds and securities.

SIPC Liquidation

In the event SIPC liquidation of the Firm's business is required, designated personnel will work with the SIPC-appointed trustee to wind down the Firm's operations and transfer customer funds and securities.

Disclosure Of Business Continuity Plan

[NASD Rule 3510(3)]

Information about the Firm's Business Continuity Plan is provided to customers as follows:

- At the time of account opening
- On the Firm's web site
- Upon request, by mail

Emergency Contact Information

[NASD Rule 3520]

The Firm has provided the NASD with the names of two emergency contact persons who are registered and are members of senior management. Emergency contact information will be promptly updated, when necessary. The NASD Executive Representative (or other designated employee) will review the contact information within 17 business days of the end of each quarter and will retain a written record of the review. If the Executive Representative delegates this responsibility, a written memorandum designating another employee will be provided to Compliance, where it will be retained with the current Plan. The annual review of the Plan will include verification that only the Executive Representative or delegate is conducting the review and updates.

5.10.14 Education Of Employees

The Business Continuity Plan is communicated to employees as follows:

- A summary is included in the chapter GENERAL EMPLOYEE POLICIES in the section Emergency Business Recovery Procedures and is provided to all employees.

- A current copy of the Plan is provided to the Emergency Response Team and key employees with responsibilities for aspects of the Plan.

- The most recent Emergency Contact List is provided to key employees.

Updating, Annual Review, And Testing

The Plan will be reviewed on at least an annual basis and revised as needed. Each revision will be approved by the designated senior manager and copies of the revised Plan distributed to the Emergency Response Team and key employees. Some material events require updating the Plan when they occur, including:

- Material changes to the Firm's business
- A change in the Firm's main office location
- Added office locations
- A change in a major service provider
- Plan itself
- Emergency Response Team list
- Emergency Contact List
- Books and Records chart (Appendix A)

Mission Critical Systems chart (Appendix B)
Business Constituent, Bank, and Counter-Party chart (Appendix C)
Designation Of Offices section of the chapter DESIGNATION OF SUPERVISORS AND OFFICES
Any other charts or information related to the Plan

When the Plan is reviewed, the procedures and accompanying lists and charts will be reviewed and updated as needed including the: A written record of the annual review including the date reviewed and name and signature of the reviewer will be retained by Compliance.