

Koonce Securities, Inc.
Business Continuity Plan

In response to the possibility we may face emergency situations resulting in significant business disruption, Koonce Securities has developed a "Business Continuity Plan". Our firm's policy has been developed with priority given to the safety of our employees' lives as well as safeguarding client assets.

This plan, in compliance with industry regulations, has been developed to ensure every possible effort is made to re-establish key business functions as soon as possible, should we be faced with any level of a disabling disaster; local, national or global.

This plan incorporates all facets of our business functions, including but not limited to:

- Client account records
- Trading
- Back office & Clearing Operations
- Accounting & Banking transactions
- Computer systems
- Telephone/Fax/Printers
- Regulatory reporting and contacts

Our plan provides a back-up location for employees until such time our regular office location can be utilized or new premises established. On a daily basis, back-up records are delivered to the back up site. This location also provides computer and telecommunications to be utilized on a temporary basis. Koonce has additionally established relationships with various facilities that can potentially offer back-up services.

In the event of such disasters, clients are asked to go to the Koonce Securities web site (www.koonce.net) for instructions, or call our toll free number: 800-369-2806, for recorded instructions. Clients will be provided annual notification of our Business Continuity Plan, or they may make a written request for additional information at any time.