

FIRST TRYON SECURITIES, LLC

BUSINESS CONTINUITY PLAN DISCLOSURE

First Tryon Securities, LLC (“First Tryon”) is committed to safeguarding the interests of our clients and customers in the event of an emergency or significant business disruption. First Tryon has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we must be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our business continuity plan.

Contacting Us – If, after a significant business disruption, you cannot contact us as you usually do, you should go to our web site at www.firsttryon.com for information. Any relevant information regarding our state of operation will be posted on the Home page under “Announcements”. If you cannot access us through any means, you should contact our clearing firm J.P. Morgan Clearing Corp (“J.P. Morgan”) at 347-643-4927 for instructions on liquidating orders, check and wire requests, and ACAT transfers.

Our Business Continuity Plan – Given the scope and severity of the significant business disruption, our plan is designed to permit our firm to recover and resume business operations as quickly as possible. Our firm’s policy is to respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm’s books and records, and allowing our customers to transact business.

Our business continuity plan addresses: data back up and recovery, all mission critical systems, financial and operational assessments, alternative communications with customers, employees, and regulators, alternate physical location of employees, critical suppliers, contractor, bank and counter-party impact, regulatory reporting, and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

Our clearing firm, J.P. Morgan, has developed a business continuity plan and as a result maintains several facilities to house the backbone of its trading, sales, operations and information technology. These facilities are located far enough apart to diminish risks posed by local disruptions. This separation is a key element of J.P. Morgan’s overall business continuity strategy. This separation allows planning for events at each location individually, since no one event should affect more than a single location simultaneously. The benefit of having only one site in each location means a response to an event will be the same whether the event is a firm-only business disruption, a disruption to a single building, a disruption to a business district or a city-wide business disruption.

J.P. Morgan also has several information technology processing and backup sites that collectively provide the redundancy required to protect the firm’s books and records, balance sheet and capital, and provide business continuity and client protection. The recovery capability for certain of the firm’s mission critical processing capabilities is achieved through the use of a sophisticated in-region mainframe recovery solution along with an out of region specialized vendor facility that provides disaster recovery services to many large corporations. This combination will provide real time recovery for the most likely events and an out of region solution for the most significant business disruptions.

J.P. Morgan maintains several backup trading floor and operations centers. In the event they are unable to access one of their primary facilities, certain personnel may be relocated to the backup site. Each backup facility is a “hot site.” In other words, the site is fully operational at all times. It is equipped with workstations that have redundant computer network connectivity, telephones, printers, fax machines, market data feeds and all the other specialty equipment necessary for trading and operations. The backup trading positions are periodically checked to ensure that they are equipped with updated software and trading applications. The functionality of the backup facility is routinely tested by sales, trading and operations personnel.

While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, J.P. Morgan has advised us that their objective for recovery times for mission critical systems range between real time recovery and 4 to 12 hours. Your orders and requests for funds and securities could be delayed during this period.

Bloomberg’s Business Continuity Plan provides an immediate recovery and resumption time due to Bloomberg’s ability to switch operations to one of their many redundant network locations (NY, San Francisco, London, Tokyo, Hong Kong, Australia).

Varying Disruptions – Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, designated employees will conduct and supervise business activities from their home offices and we expect to recover and resume business within 2 days. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the affected area, and recover and resume business within 4 days. In either situation, we plan to continue our business operations or transfer operations to our clearing firm if necessary, and notify you through our web site at www.firsttryon.com. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our customer’s prompt access to their funds and securities.

Disclaimers – First Tryon’s Business Continuity Plan prepares us for significant business disruptions and should enable us to resume our business operations as quickly as possible. The Business Continuity Plan Disclosure provides a summary of our plan. Due to various external factors that can affect the severity of a business disruption, such as time of day and status of critical infrastructure, the objectives of our plan may not be met in every emergency situation.

The Business Continuity Plan Disclosure is subject to change without notice. The current disclosure, as well as any future modifications, will be posted on our web site at www.firsttryon.com.

For more information – If you have any questions about our business continuity planning, you can contact us at 704.372.6118.