

STOCKCROSS FINANCIAL SERVICES, INC. BUSINESS CONTINUITY STATEMENT

At StockCross Financial Services, we know you rely on our employees and systems for a range of financial and investment needs. We also recognize that unpredictable events beyond our control may interrupt normal business. We want to assure you that we have established contingency and disaster recovery plans, as outlined below. In the event of a Significant Business Disruption (SBD), StockCross Financial Services expects to remain operational and accessible, and have designed plans to facilitate this goal.

Our firm's policy is to respond to any major disruption by safeguarding employees' lives, assessing financial and operational status, quickly recovering and resuming operations, protecting the firm's books and records, and allowing our customers to transact business with minimal delay or inconvenience. In the unlikely event that we are unable to continue our business, we will assure customers prompt access to their funds and securities.

Barry Murphy & Company, Select Investing and NetVest are divisions of StockCross Financial Services, Inc., clearing through National Financial Services (NFS), and have immediate access to the trading capabilities of StockCross, should such access be required. Customer orders can be directed to the self-clearing trading desk of StockCross in Beverly Hills, CA, Boston, MA, Houston, TX, or Seattle, WA.

In the event of a localized disaster, StockCross Financial Services has the ability to take advantage of bi-coastal functionality. Offices in Boston and Beverly Hills have been designed and staffed to provide complete mirroring of all systems.

StockCross Financial Services is located at 9464 Wilshire Boulevard, Beverly Hills, CA. The main phone number is 800-225-6196.

StockCross Contingency Planning and Business Recovery

Customer Contact – Communication with our customers will be a top priority in the event of a disruption to our normal functioning. We will immediately identify what means are available to communicate with you, which may include rerouting of phone calls, announcements on our web site, email, postal service, and courier.

Backup Power – Sites that support trading and operations are located in buildings with Uninterrupted Power Supply (UPS).

Separate Sites – StockCross Financial Services is located in two primary locations in separate cities, with additional staff and operational capabilities in geographically disparate areas of the country. In the event of any emergency that prevents access to a primary site, our alternate sites would be prepared for use as circumstances dictate and permit, and personnel could be sent there as necessary. Our Service Provider, SunGard Securities Processing, also maintains backup sites for critical functions.

Order Execution – Our separate locations allow full functionality at either site, both for order entry and execution. Should order entry systems in both offices be disrupted, we have tested alternate order handling procedures in place.

Also, due to the unusual situation where some of our accounts are self-clearing and some are introduced to another clearing firm, StockCross has the advantage of a duplicate order entry and execution system through two unrelated sources. In the event of a complete disruption to either StockCross' order entry system, or NFS, orders could be entered for execution through the unaffected system in any one of six locations.

Access to Your Funds and Securities– In the event of a disruption affecting our main office, we will process customer receipts and disbursements from our Boston office. We maintain numerous bank accounts in various regions of the country. In the event of disruptions, our registered persons will process your requests at the available site. Both the Boston and Beverly Hills offices have equipment needed to withdraw and transfer securities.

Regulatory Reporting – Our business contingency plans are designed to ensure that, regardless of the length of an outage at a primary location, StockCross' ability to meet regulatory requirements, as mandated by the Securities and Exchange Commission, NYSE, and NASD, would not be impacted.

Communications With Regulators – StockCross Financial Services will communicate with its regulatory authorities regarding the nature and extent of any significant outage at a primary location, as required by applicable law and regulation

Securities Processing, Clearing, and Record keeping – Sungard Securities Processing supports order entry, execution, reporting, and other processing and record keeping functions to StockCross Financial Services, and National Financial Services provides clearing, processing, and record keeping functions for our Barry Murphy, Select Investing, and NetVest divisions. Both firms have issued Disaster Recovery Plan details that include their contingency plans, anticipated restoration and recovery time frames, contacts, and other pertinent information. We have utilized this information in designing our own SBD plan, and expect to receive amended and updated information from them as appropriate.

Select Investing, NetVest, and Barry Murphy do not perform any type of clearing function, most transactions for these divisions are sent to our clearing firm, National Financial Services LLC (NFS).

NFS is located at 82 Devonshire Street, Boston, MA. The main contact is Joseph Kelly, at 617-563-5271.

NFS has provided the following information regarding their recovery plan as it may affect Select Investing, NetVest, and Barry Murphy:

Contingency Planning and Business Recovery

Our clearing firm mitigates risks to reduce potential issues and impact. In the event of an outage, our clearing firm has tested plans to support recovery of its critical business functions.

- Backup Power – The clearing firm is located at sites that support trading and operations in buildings with Uninterrupted Power Supply (UPS) and backup generators.
- Separate Sites – Our clearing firm is located in two primary locations in separate cities, and has additional offices for certain trading and relationship support functions. These separate sites provide backup for certain critical functions.
- Contingencies for Inclement Weather – If there is a forecasted weather emergency, hotel rooms are obtained for essential clearing firm personnel. If the weather emergency could result in an inability to access the primary site, the alternate site would be prepared for use and personnel would be sent there prior to the event. A number of personnel have remote access so they can work from home. Employees can access phone mail and e-mail messages remotely.
- Designated Contingency Site – There are pre-established, tested processes for rerouting of critical phone numbers. In the event of a site outage, Select Investing and Barry Murphy should experience minimal downtime in their ability to contact our clearing firm, NFS.
- Alternate Site Tests – the clearing firm conducts alternate site tests for its critical functions at least twice per year.
- Notification to Clients – Procedures for notifying Select Investing have been established by our clearing firm in the event of an outage. Notification will include information regarding length of outage, instructions for contacting NFS, and support information.
- Regulatory Reporting – The clearing firm’s business contingency plans are designed to ensure that, regardless of the length of an outage at a primary location, NFS’s ability to continue to meet regulatory requirements, as mandated by the Securities and Exchange Commission, NYSE, and NASD, would not be impacted.
- Communications With Regulators – The clearing firm will communicate with its regulatory authorities regarding the nature and extent of any significant outage at a primary location, as required by applicable law and regulation.
- Access to Your Funds – A site outage at NFS would not impact customers’ access to their available funds. NFS has tested business continuity plans that include necessary personnel being available to disburse available funds.