



Business Continuity Plan

All entities referenced above will collectively be known as "the firms."

Business continuity plans (BCPs) and emergency contact person lists under NASD Rules 3510 and 3520. The template recognizes that many small introducing firms rely on parts of a clearing firm's BCP for many of the mission critical functions of the introducing firm.

Critical Elements

There are 10 critical elements of a BCP specified in NASD Rule 3510. Each firm need only address the elements applicable to its business, but if you do not include a specified element in your firm's plan, your plan must document why it is not included:

- (1) Data back-up and recovery (hard copy and electronic);
- (2) All mission critical systems;
- (3) Financial and operational assessments;
- (4) Alternate communications between customers and the member;
- (5) Alternate communications between the member and its employees;
- (6) Alternate physical location of employees;
- (7) Critical business constituents, banks, and counter-party impact;
- (8) Regulatory reporting;
- (9) Communications with regulators; and
- (10) How the member will assure customers' prompt access to their funds and securities in the event that the member determines that it is unable to continue its business.

References: NASD Notice to Members (NtM) 04-37; General Accounting Office, "Report on Potential Terrorist Attacks: Additional Actions Needed to Better Prepare Critical Financial Market Participants," Report Nos. GAO-03-251 and GAO-03-414 (Feb. 2003) (available at <http://www.gao.gov/>); The Securities and Exchange Commission/Board of Governors of the Federal Reserve System/Office of the Comptroller of the Currency Joint White Paper on Business Continuity Planning



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I. Emergency Contact Persons

Main Office

Our firm's emergency contact persons and principals of the firm are:

- Joe Patire, Principal, 404-512-2399, joe.patire@yieldquest.com
- David Summers, Principal, 678-772-4636, david.summers@yieldquest.com
- Gary Schwartz, Principal, 404-502-6822, gary.schwartz@yieldquest.com

As always, please try our main number first at (404) 446-3370 or go to our web site at <http://www.yieldquest.com>. This web site can be updated remotely and will be updated in the event of a disaster. Additionally, Securities Compliance Management (404-841-8844) can be contacted for additional information.

These names will be updated in the event of a material change, and our Executive Representative will review them within 17 business days of the end of each quarter.

Reference: NASD Rule 3520.

II. Firm Policy

Our firm's policy is to respond to a Significant Business Disruption (SBD) by safeguarding employees' lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting all of the firm's books and records, and allowing our customers to transact business. In the event that we determine we are unable to continue our business, we will assure customers prompt access to their funds and securities.

A. Significant Business Disruptions (SBDs)

Our plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect only our firm's ability to communicate and do business, such as a fire in our building. External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a city flood, or a wide-scale, regional disruption. Our response to an external SBD relies more heavily on other organizations and systems, especially on the capabilities of our clearing firm and/or custodian.

B. Approval and Execution Authority

David Summers and Gary Schwartz are responsible for approving the plan and for conducting the required annual review. David Summers has the authority to execute this BCP.



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C. Plan Location and Access

Our firm will maintain copies of its BCP plan and the annual reviews, and the changes that have been made to it for inspection. An electronic copy of our plan is located on our servers and with Securities Compliance Management, Inc.

III. Business Description

YieldQuest Securities, LLC (YQS) is an introducing firm and YieldQuest Advisors, LLC (YQA) is a Registered Investment Advisor. Both respective companies do not perform any type of clearing function for itself or others. Furthermore, YQS or YQA do not hold customer funds or securities.

YQS transactions may be sent to First Clearing, LLC (FCC) which executes our orders, compares them, allocates them, clears and settles them. FCC also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities.

The following information relates to the clearing firm for YieldQuest Securities, LLC:

Relationship Manager: Harry Jones
Address: 901 East Byrd Street, Richmond, VA, 23219
Phone Number 804-782-3219
E-mail address: hjones@firstclearing.com.

Our clearing firm has also given us the following alternative contact in the event it cannot be reached: Pat Jamison – Chief Operating Officer, phone number 804-344-6422, First Clearing.

IV. Office Locations

Both YieldQuest Securities, LLC and YieldQuest Advisors, LLC are located at:

3280 Peachtree Road
Suite 2600
Atlanta, GA 30305
Phone: (404) 446-3370
Fax: (404) 446-3380



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V. Alternative Physical Location(s) of Employees

In the event of an SBD, we will move our staff from affected offices to another office location. Such information will be posted to the firm's web site and messages will be left with all employees.

Varying Disruptions – Significant business disruptions can vary in their scope, such as only our firm, a single building or unit 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, we will transfer our operations to the other respective affiliate and expect to recover and resume business within a few hours.
- 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 a day. We will most likely travel First Clearing, LLC and work out of their corporate offices. In the event that there is a regional disaster, all employees are to work from their respective residences until they are instructed via their personal contact numbers as to the plan. All employees can call the firm's main number or the personal contact numbers of any principals.
- Given the nature and scope of the disaster, the firm will ensure that the firm's data sources, including its servers, are accessible. The firm does back-up its server nightly and we take a drive off-site daily. The technology department will work diligently to provide instruction on how to access this data.

For more information – If you have questions about our business continuity planning, please feel free to contact a member of management.

VI. Customers' Access to Funds and Securities

YieldQuest does not maintain custody of customers' funds or securities. In the event of an internal or external SBD, if telephone service is available, our registered persons will take customer orders or instructions and contact our clearing firm and/or custodian on their behalf, and if our Web access is available, our firm will post on our Web site that customers may access their funds and securities. The firm will make this information available to YQS customers through its disclosure policy.

If SIPC determines that YQS is unable to meet its obligations to our customers or if our liabilities exceed our assets in violation of Securities Exchange Act Rule 15c3-1, SIPC may seek to appoint a trustee to disburse our assets to customers. We will assist SIPC and the trustee by providing our books and records identifying customer accounts subject to SIPC regulation.

Reference: NASD Rule 3510(a); Securities Exchange Act Rule 15c3-1; 15 U.S.C.



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VII. Data Back-Up and Recovery (Hard Copy and Electronic)

YQS and YQA respectively maintain its primary hard copy books and records and its electronic records at its respective main offices in Atlanta, GA. Certain key records will be backed up and stored electronically.

In the event of an internal or external SBD that causes the loss of our paper records, we will physically recover them from our back-up site. If our primary site is inoperable, we will continue operations from our back-up site or an alternate location. YieldQuest Securities and YieldQuest Advisors will use each other's sites as back up locations if needed.

For the loss of electronic records, we will either physically recover the storage media or electronically recover data from our back-up site, or, if our primary site is inoperable, continue operations from our back-up site or an alternate location.

Reference: NASD Rule 3510(c)(1).

VIII. Financial and Operational Assessments

A. Operational Risk

In the event of an SBD, we will immediately identify what means will permit us to communicate with our customers, employees, critical business constituents, critical banks, critical counterparties, and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will include our Web site, secure e-mail, and/or Emergency Contact Information. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery.

Reference: NASD Rules 3510(c)(3) & (f)(2).

B. Financial and Credit Risk

In the event of an SBD, YQS will determine the value and liquidity of our investments and other assets to evaluate our ability to continue to fund our operations and remain in capital compliance. YQS will contact First Clearing, LLC, Bank of America, and investors to apprise them of our financial status. If we determine that we may be unable to meet our obligations to those counterparties or otherwise continue to fund our operations, we will request additional financing from our bank or other credit sources to fulfill our obligations to our customers and clients. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take appropriate steps, including contact SIPC or request assistance from our SRO.

Reference: NASD Rules 3510(c)(3), (c)(8) & (f)(2).



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IX. Mission Critical Systems

Our firm's "mission critical systems" are those that ensure prompt and accurate processing of securities transactions, including order taking, entry, execution, comparison, allocation, clearance and settlement of securities transactions, the maintenance of customer accounts, access to customer accounts, and the delivery of funds and securities.

We have primary responsibility for establishing and maintaining our business relationships with our customers and have sole responsibility for our mission critical functions of order taking and entry. Our clearing firm provides, through contract, the execution, comparison, allocation, clearance and settlement of securities transactions, the maintenance of customer accounts, access to customer accounts, and the delivery of funds and securities.

First Clearing's contract provides that our clearing firm will maintain a business continuity plan and the capacity to execute that plan. The clearing firm represents that it will advise us of any material changes to its plan that might affect our ability to maintain our business and presented us with an executive summary of its plan, <http://www.firstclearing.com/business.htm>. In the event our clearing firm executes its plan, it represents that it will notify us of such execution and provide us equal access to services as its other customers. If we reasonably determine that First Clearing has not or cannot put its plan in place quickly enough to meet our needs, or is otherwise unable to provide access to such services, our clearing firm represents that it will assist us in seeking services from an alternative source.

First Clearing represents that it backs up our records at a remote site. Our clearing firm represents that it operates a back-up operating facility in a geographically separate area with the capability to conduct the same volume of business as its primary site. Our clearing firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing.

Recovery-time objectives provide concrete goals to plan for and test against. They are not, however, hard and fast deadlines that must be met in every emergency situation, and various external factors surrounding a disruption, such as time of day, scope of disruption, and status of critical infrastructure—particularly telecommunications—can affect actual recovery times. Recovery refers to the restoration of clearing and settlement activities after a wide-scale disruption; resumption refers to the capacity to accept and process new transactions and payments after a wide-scale disruption.



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A. The Firm's Mission Critical Systems

1. Order Taking

Currently, the firm receives orders from customers via telephone and in person visits by the customer. During an SBD, either internal or external, we will continue to take orders through any of these methods that are available and reliable, and in addition, as communications permit, we will inform our customers when communications become available to tell them what alternatives they have to send their orders to us. Customers will be informed of alternatives by the firm's web site and/or recorded voice messages at the firm's main office number. If necessary, we will advise our customers to place orders directly with our clearing firm and/or directly with the respective Limited Partnership.

2. Order Entry

Currently, our firm enters orders by recording them on paper and/or electronically and sending them to our clearing firm electronically or telephonically.

In the event of an internal SBD, we will enter and send records to our clearing firm and/or independent custodian by the fastest alternative means available. In the event of an external SBD, we will maintain the order in electronic or paper format, and deliver the order by the fastest means available when it resumes operations. In addition, during an internal SBD, we may need to refer our customers to deal directly with our clearing firm for order entry. Information will be promptly posted to our web site and/or recorded via voice message.

B. Mission Critical Systems Provided by Clearing Firm

YQS relies, by contract, on our clearing firm to provide order execution, order comparison, order allocation, and the maintenance of customer accounts, delivery of funds and securities, and access to customer accounts.

Reference: NASD Rules 3510(c) & (f)(1).

X. Alternate Communications Between the Firm and Customers, Employees, and Regulators

A. Customers

We now communicate with our customers using the telephone, e-mail, our Web site, fax, U.S. mail, and in person visits at our firm or at the other's location. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. For example, if we have communicated with a party by e-mail but the Internet is unavailable, we will call them on the telephone and follow up where a record is needed with paper copy in the U.S. mail.

Reference: NASD Rule 3510(c)(4).



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B. Employees

We now communicate with our employees using the telephone, e-mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. We will also employ a call tree so that senior management can reach all employees quickly during an SBD. The call tree includes all staff home and office phone numbers. Each designated principal of each employee shall be responsible for contacting the respective persons. Ultimately, David Summers, Gary Schwartz, and/or Joe Patire shall be responsible to make sure that each employee is contacted.

Reference: NASD Rule 3510(c)(5).

C. Regulators

We communicate with NASD and SEC using the telephone, e-mail, fax, U.S. mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party.

Reference: NASD Rule 3510(c)(9).

XI. Critical Business Constituents, Banks, and Counter-Parties

A. Business constituents

We have contacted our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services), and determined the extent to which we can continue our business relationship with them in light of the internal or external SBD. We will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when we need them because of a SBD to them or our firm.

Reference: NASD Rule 3510(c)(7).

B. Banks

We have contacted our banks and lenders to determine if they can continue to provide the financing that we will need in light of the internal or external SBD. The firm uses Bank of America for its Banking needs.

The bank maintaining our Proprietary Account of Introducing Brokers/Dealers (PAIB account) is First Clearing LLC, 901 E. Byrd Street, Richmond, VA, 23219. Contact: Tamra Burke (804-782-3219)

Reference: NASD Rule 3510(c)(7).



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C. Counter-Parties

We have contacted our critical counter-parties, such as other broker-dealers or institutional customers, to determine if we will be able to carry out our transactions with them in light of the internal or external SBD. Where the transactions cannot be completed, we will work with our clearing firm or contact those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

Reference: NASD Rules 3510(a) &(c)(7).

XII. Regulatory Reporting

Our firm is subject to regulation by: NASD, SEC, and respective states (see hard-copy of current Form BD/Form ADV state registration section). We now file reports with our regulators using paper copies in the U.S. mail, and electronically using fax, e-mail, and the Internet. In the event of an SBD, we will check with the SEC, NASD, and other regulators to determine which means of filing are still available to us, and use the means closest in speed and form (written or oral) to our previous filing method. In the event that we cannot contact our regulators, we will continue to file required reports using the communication means available to us.

Attached is a list of the firm's current registrations with regulatory bodies (including NASD, SEC, and Respective States). The contact for each respective state is contained in the following URL and is to be printed and attached to this plan.

http://www.nasaa.org/about_nasaa/2062.cfm

Rule: NASD Rule 3510(c)(8).

XIII. Disclosure of Business Continuity Plan

We disclose in writing a summary of our BCP to customers at account opening and annually on customer statements. We also post the summary on our Web site and mail it to customers upon request. Our summary addresses the possibility of a future SBD and how we plan to respond to events of varying scope. In addressing the events of varying scope, our summary (1) provides specific scenarios of varying severity (e.g., a firm-only business disruption, a disruption to a single building, a disruption to a business district, a city-wide business disruption, and a regional disruption); (2) states whether we plan to continue business during that scenario and, if so, our planned recovery time; and (3) provides general information on our intended response. Our summary discloses the existence of back-up facilities and arrangements.

Reference: NASD Rule 3510(e).



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XIV. Updates and Annual Review

Our firm will update this plan whenever we have a material change to our operations, structure, business or location or to those of our clearing firm. In addition, our firm will review this BCP annually, to modify it for any changes in our operations, structure, business, or location or those of our clearing firm.

Reference: NASD Rule 3510(b).

XV. Senior Manager Approval

I have approved this Business Continuity Plan as reasonably designed to enable our firm to meet its obligations to customers in the event of an SBD.

Rule: NASD Rule 3510(d).

Signed: _____

Name: David Summers
Title: Chief Compliance Officer (YQA)

Date: _____

Signed: _____

Name: Gary Schwartz
Title: Chief Compliance Officer (YQS)

Date: _____



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KEY-MAN INSURANCE

ADDENDUM TO BUSINESS CONTINUITY PLAN

The firm has increased its insurance policies for its key principals and shareholders. The firm has identified each key person and identified the continuity of the business around this person. The firm is in the process of having all employees to draft back-up procedures of their daily tasks to allow for redundancies with their respective position. Additionally, the firm has begun to cross-train selected persons to learn other key persons job functions.

If there were to be a tragedy to a key-person, other members of Senior Management would utilize insurance proceeds to purchase back the respective persons shares and to recruit a qualified person to cover the job in the interim.