

**SF Investments, Inc.**  
**Business Continuity Plan**  
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This "Business Continuity Plan" has been created to meet the requirements described in FINRA Rules 3510 and 3520. This Business Continuity Plan is reasonably designed to enable our firm to meet its obligations to customers in the event of a Significant Business Disruption.

Authorized Approval Signature: *Nate Shapiro*  
 Printed Name & Title: Nate Shapiro, President  
 Date: 9-1-08

This Plan is effective from the date approved until the date of its authorized revision, update or replacement (see below).

Date this Plan was no longer effective (date of revision, update or replacement): \_\_\_\_\_  
 Recordkeeping: Discard after \_\_\_\_\_ (date three years from termination of use).

## **Introduction**

On April 7, 2004, the Securities and Exchange Commission approved FINRA Rule Series 3500 dealing with emergency preparedness. Rule 3510 requires each member to create and maintain a business continuity plan that identifies procedures relating to an emergency or significant business interruption that are “reasonable designed to enable the member to meet its existing obligations to its customers.” In addition, the plan must address the firm’s existing relationships with other members and counter-parties. This plan must be promptly made available to the FINRA staff upon request.

Rules 3510(b) requires that each member review its plan at least annually to determine if any changes are needed and update its plan more frequently in the event of any material change to its operations, structure, business or location.

The plan should reflect the firm’s business and operations. Therefore, the requirements of the plan, as identified in Rule 3510, are flexible and should be tailored to the firm’s size and needs.

However, at a minimum, SF Investments, Inc.’s plan must address the following areas:

- Data back-up and recovery (hard copy and electronic);
- All mission critical systems;
- Financial and operational assessments;
- Alternate communications between customers and the member;
- Alternate communications between the member and its employees;
- Alternate physical location of employees;
- Critical business constituents, banks, and counter-party impact;
- Regulatory reporting;
- Communications with regulators; and
- 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.

Each firm is required to only address the elements applicable to its business, but the plan must contain an explanation if any element above is not included.

Rule 3520 requires each member to designate two individuals as emergency contacts that the FINRA may contact in the event of a significant business disruption. Each contact must be a registered principal or member of senior management. However,

- If the member has only one principal but has other employees, the second contact should be another firm employee, or
- If the firm has only one principal and no other employees, the second contact may be someone who has knowledge of the firm’s business, such as an accountant, attorney, etc.

Rule 3520 also requires that each member enter this information into the FINRA’s Contact System (NCS) at [www.FINRA.com/ncs.asp](http://www.FINRA.com/ncs.asp) and that required changes are made promptly.

## **1. Emergency Contact Persons**

SF Investments, Inc. has designated the following individuals to act as contact persons for the firm as required under Rule 3520:

### **Primary Contact**

Name, Title: Danny Shapiro, Vice President  
Address: 799 Central Ave. Suite 350 Highland Park, IL. 60035  
Telephone Number: (847) 926-5711  
Fax Number: 847-926-5701  
E-mail Address: danny@sfinv.com

### **Secondary Contact:**

Name, Title: Gary Just  
Address: 799 Central Ave. Suite 350 Highland Park, IL. 60035  
Telephone Number: (847)926-5724  
Fax Number: (847)926-5702  
E-mail Address:gjust@sfinv.com

These contacts will be reported through FINRA's Contact System at [www.FINRA.com/ncs.asp](http://www.FINRA.com/ncs.asp) and must be updated in the event of a material change. In addition, SF Investments, Inc.'s Executive Representative or his written designee must review and update this information, if necessary, within 17 business days of the end of each quarter.

### **Executive Representative:**

SF Investments, Inc.'s Executive Representative is Nate Shapiro.

### **Disaster Recovery Coordinator/Team:**

The Company has designated Danny Shapiro, Vice President as the "Disaster Recovery Coordinator." In his absence, Steve Shapiro, Vice President will assume his responsibilities. The Company has appointed an Emergency Management Team "EMT" that will be responsible for administering and executing various sections of this plan. The EMT will follow the direction of the "Disaster Recovery Coordinator" or his designee in carrying out assigned duties. The EMT is made up of the following persons: Gary Just and Daniel Zawidowski.

The "Disaster Recovery Coordinator" has the responsibility to make an immediate preliminary assessment of the nature and extent of the disruption by assessing the following: electricity supply; condition of computer network/phones; damage to the building; HVAC in extreme weather; and other hazards.

If the Coordinator determines that personnel should evacuate the affected location, he must make an announcement to all personnel as appropriate procedures. The announcement may given via personal contact, e-mail, intercom or other methods as appropriate given the systems available and size of staff and building. This announcement should be short and concise, should calmly identify the situation and should provide instructions to employees on how to respond. This announcement should be repeated as often as necessary to avoid confusion and to ensure all

employees are aware of the situation. After ensuring the physical safety of Company personnel, the Coordinator and the EMT must then implement this BCP.

If the situation does not merit evacuation, steps should be taken to alert designated persons (the EMT) of necessary actions to facilitate ongoing operations in the face of limited disruption. In this case, the Coordinator will determine which, if any, procedures in this BCP should be implemented.

In the event, the SBD has directly affected other areas of the building but has not directly impacted the Company's office, the Coordinator will contact building security or emergency personnel for instructions on how the Company should respond and proceed accordingly.

## **2. Firm Policy**

SF Investments, Inc.'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.

### **Significant Business Disruptions (SBDs):**

SF Investments, Inc.'s plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect only the Company's ability to communicate and do business, such as a fire or loss electrical power in the office or building.

External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a natural disaster, or another event that causes a wide-scale, regional disruption in essential services. The Company's response to an external SBD will rely more heavily on other organizations and systems, especially on the capabilities of the clearing firm, the issue sponsors, federal emergency authorities, local officials and utility companies.

### **Approval and Execution Authority:**

Nate Shapiro, President, a registered principal, is responsible for approving the plan and for conducting the required annual review.

Danny Shapiro, Vice President, has the authority to execute this BCP.

### **Plan Location and Access:**

SF Investments, Inc. will maintain copies of its BCP plan, a record of the firm's annual reviews, and the changes that have been made to the BCP for inspection by regulators. A hard copy of the Company's Plan is located in its main business location and may be accessed by contacting Danny Shapiro at (847) 861-6011 or danny@sfinv.com. Electronic copies of the Company's plan is located internally on in L:\SFI\BCP, at Broker Dealer Compliance in Londonderry, NH and at Nate Shapiro's personal residence located at 1661 Ryders Lane, Highland Park, IL 60035.

A copy of the BCP will be provided to FINRA District Office #8 located in Chicago, IL upon request.

### **3. Business Description**

SF Investments, Inc. conducts business in equity, fixed income, and derivative securities. The Company is an introducing firm and does not perform any type of clearing function for itself or others. Furthermore, the Company does not hold customer funds or securities.

SF Investments, Inc. accepts and enters orders. All transactions are sent to the clearing firm, which executes, compares, allocates, clears and settles them. The Company's clearing firm also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities.

The Company services only retail customers and does not engage in any private placements.

The Company's clearing firm is Pershing., One Pershing Plaza , Jersey City, New Jersey. The primary contact person at that clearing firm is Carl Brazendale (630) 472-7407.. In the event the primary contact cannot be reached, our alternative contact is: Larry Agin 201-413-4659.

### **4. Office Locations**

The Company or its registered personnel currently operate from the following locations:

<b>Type of Location, Registered or Unregistered</b>	<b>Address and Main Phone Number</b>	<b>Located in a Personal Residence? (Y or N)</b>	<b>Means of Transportation Employees Use to Reach Office</b>	<b>Mission Critical Systems Taking Place at Office</b>
Home Office – registered	799 Central Ave. Suite 350 Highland Park, IL. 60035	No	Car, train	Order taking, entry, execution comparison, access to customer accounts

#### **Alternative Physical Location(s) of Employees:**

In accordance with Rule 3510(c)(6) requires that each member designate a location at which business will be conducted in the event the primary office of the Company must be evacuated.

SF Investments, Inc. has no other office locations, therefore, in accordance with this requirement; members of the Company's staff will relocate to 1661 Ryders Lane, Highland Park, IL 60035, (847) 831-4316 (personal residence).

### **5. Customers' Access to Funds and Securities**

SF Investments, Inc. does not maintain custody of customers' funds or securities. Customer accounts are maintained at our clearing firm, Pershing, LLC.

In the event of a SBD:

1. If telephone service is available, our registered persons will take customer orders or instructions and contact our clearing firm on their behalf, and
2. If Internet access is available, we will post a notice on our website, [www.sfinvestments.com](http://www.sfinvestments.com), that includes procedures for customers to use in contacting the clearing firm directly to access their funds and securities or to place orders.

The Company will make this and additional information regarding accessing funds and/or securities available to customers through our disclosure policy (below).

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

## **6. Data Back-Up and Recovery (Hard Copy and Electronic)**

SF Investments, Inc. maintains its primary books and records in hard copy and electronic format at 799 Central Ave. Suite 350 Highland Park, IL. 60035, Gary Just, FINOP, 847-926-5724 is responsible for the maintenance of these books and records.

SF Investments, Inc. maintains the following document types and forms that are not transmitted to the clearing firm: New account forms, contracts, invoices, bank statements and checks.

### **Back-up of Paper Records:**

SF Investments, Inc. copies its paper records monthly and the back-up copies are maintained at 799 Central Ave. Suite 350 Highland Park, IL. 60035. Gary Just, FINOP, 847 926 5724 is responsible for the maintenance of these back-up books and records.

Because the Company does not hold customer funds, an internal or external SBD affecting Company's office should not pose a threat to customer records or financial holdings. While the Company may lose access to some or all FINRA- or SEC-required records in an external SBD, or may permanently lose some or all such records in an internal SBD (such as a fire), we believe our customers would not suffer as a result.

### **Back-up of electronic records:**

The firm backs up its electronic records daily by copying all files to a tape and keeping a copy of this back-up at Gary Just's personal residence located 1429 Orleans Dr Mundelein, IL 60060. In the event that electronic records are lost, the Company will either physically recover the storage media or electronically recover data from its back-up site, or, if the Company's primary site is inoperable, continue operations from its back-up site or an alternate location.

## **7. Financial and Operational Assessments**

### **Operational Risk:**

In the event of an SBD, SF Investments, Inc. will immediately identify any methods available that will permit personnel to communicate with customers, other employees, critical business constituents, critical banks, critical counter-parties, and regulators.

Although the effects of an SBD will determine the means of alternative communication, the communications options the Company may employ will include Web site, telephone voice mail and secure e-mail. In addition, SF Investments, Inc. will retrieve key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

### **Financial and Credit Risk:**

In the event of an SBD, SF Investments, Inc.'s FINOP will determine the value and liquidity of its investments and other assets to evaluate the Company's ability to continue to fund its operations and remain in capital compliance.

SF Investments, Inc. will contact its clearing firm, critical banks, and investors to apprise them of the Company's financial status. If the Company determines that it may be unable to meet its obligations to those counter-parties or otherwise continue to fund its operations, SF Investments, Inc. will request additional financing from our bank or other credit sources to fulfill its obligations to our customers and clients. If SF Investments, Inc. cannot remedy a capital deficiency, the FINOP will file appropriate notices with applicable regulators and immediately take appropriate steps, including contacting the FINRA immediately and ceasing business until a business plan is executed to reduce expenses and infuse additional capital to meet the net capital requirement.

In the event there is suspension or termination of the Company's business, the Company will attempt to notify customers regarding the situation and provide them with instructions for accessing their funds or securities, if applicable, for verifying transactions in process or for conducting future business. Notification will be a form allowed based on the circumstances permitted by regulatory authorities and may include telephone calls, letters or a posting on the Company's website.

## **8. Mission Critical Systems**

### **Internal Mission Critical Systems**

SF Investments, Inc.'s "mission critical systems" are those that ensure prompt and accurate processing of securities transactions, including order taking, entry, the maintenance of customer accounts, and access to customer accounts.

The Company has primary responsibility for establishing and maintaining business relationships with customers and has sole responsibility for the Company's mission critical functions of order taking and entry.

### **Order Taking**

Currently, the Company receives orders from customers via telephone. During an SBD, we will continue to take orders through any methods that are available and reliable.

The Company will inform our customers what alternatives they have to send their orders to us in the event traditional methods are interrupted. Customers will be informed of alternatives by disclosure information provided when a new business relationship is established and by calls from personal cell phones, through email messages or via a notification posted on the Company's website or any other means available. If necessary, we will advise our customers to place orders directly with our clearing firm at 201-413-2210

### **Order Entry/Submission**

Currently, SF Investments, Inc. enters submits orders by recording them on paper and/or electronically and sending them to our clearing firm electronically and by telephone.

In the event of an internal SBD, the Company will send orders to its clearing firm by the fastest alternative means available, which may include alternative telephone facilities, including cell phones; messenger or courier; or external e-mail connections.

In addition, during an internal SBD, the Company may refer customers directly to the clearing firm for placing orders.

In the event of an external SBD, the Company will maintain the order in electronic or paper format, and deliver the order to the clearing firm product or issuer by the fastest means available when it resumes operations.

### **Order Execution**

The Company does not execute orders. All orders are executed through the Company's clearing firm. See below for information on the clearing firm's mission critical systems.

### **Mission Critical Systems Provided by Our Clearing Firm**

The Company's 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.

SF Investments, Inc.'s clearing agreement, or addendum thereto, provides that the clearing firm will maintain a business continuity plan and the capacity to execute that plan.

Pershing LLC. represents the following:

1. It will advise the Company of any material changes to its plan that might affect SF Investments, Inc.'s ability to maintain its business and present the Company with an executive summary of its plan, which is attached.

2. In the event the Company's clearing firm executes its plan, it represents that it will notify the Company of such execution and provides the Company equal access to services as its other customers.
3. If, Pershing LLC determines that it has not or cannot put its plan in place quickly enough to meet SF Investments, Inc.'s needs, or is otherwise unable to provide access to such services represents that it will assist the Company in seeking services from an alternative source.
4. It backs up the Company's records at a remote, out of region site and 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.

In addition, the Company's clearing firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing routinely, and it has confirmed that it tests its back-up arrangements every time.

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. Pershing, LLC has the following SBD recovery time and resumption objectives: recovery time period within 4 – 12 hours and resumption time thereafter.

## **9. Alternate Communications Between the Firm and Customers, Employees, and Regulators**

### **Customers**

The Company currently communicates with our customers using the telephone and U.S. mail.

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 customer. 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 via U.S. mail.

### **Employees**

The Company currently communicates with its 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.

The Company will also employ a call tree so that senior management can reach all employees quickly during an SBD, if telephone service is available. The Disaster Recovery Coordinator

and/or Emergency Management Team will be responsible for invoking the call tree. The call tree will include all staff home and office phone numbers.

Caller	Call Recipients
Daniel Shapiro	Gary Just, Steve Shapiro, Nate Shapiro, Marty Youmaran, Dan Zawidowski, Xerillion (Wayne Chapin), Phil Netznik, DeeDee Silverstein, Steve Virgili., Rosina Mahabeer, Lynn Shelby and Larry Sucsy
Larry Sucsy	William Surman, Steve Slavin, and Ric Slocum

**Regulators**

The Company is currently a member of the FINRA, registered with the SEC and registered to conduct business in the following states: AZ, CA, CT, DC, FL, , IA, IL, IN, ID, MA, MD, MI, NC, NJ, NV, NY, OK, PA, TX, WA, & WI.

SF Investments, Inc. communicates with applicable regulators using the telephone, e-mail, 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.

**10. Critical Business Constituents, Banks, and Counter-Parties**

**Business constituents**

SF Investments, Inc. has contacted our critical business constituents (businesses with which the Company has an ongoing commercial relationship in support of its operating activities, such as vendors providing critical services), and determined the extent to which the Company can continue its business relationship with these businesses in light of the internal or external SBD. The Company has entered into a supplemental contract with certain critical business constituents to provide such services. The alternative suppliers are disclosed below.

Our major suppliers are:

<b>Business Constituent</b>	<b>Address, Phone Number</b>	<b>Alternative Supplier</b>	<b>Address, Phone Number</b>
Pershing LLC	! Pershing Plaza Jersey City, NJ 07399	Internet	630 472 7407
Bloomberg	499 Park Ave., New York, NY 10022, (212) 318-2540	ATT – Internet (DSL)	800-660-3000
Morgan Stanley	1585 Broadway New York, NY 10036 212-761-4000	Globalcom – Internet	333 W. Wacker Dr. Chicago, IL. 60606
Thomson	200 West Madison 11th floor Chicago, IL 60606 312-288-6417	Globalcom – Internet	333 W. Wacker Dr. Chicago, IL. 60606 800 589-1531
Assent	400 Rella Blvd. Montebello, NY 10901 845-369-0127	Globalcom – Internet	333 W. Wacker Dr. Chicago, IL. 60606 800-589-1531
Xerillion	1701 E. Woodfield Rd Schaumburg, IL 60173		847-995-9800

## **Banks**

SF Investments, Inc. has contacted its banks and lenders to determine if they can continue to provide the financing that the Company may need in light of the internal or external SBD. The Company's accounts are currently with the following institutions:

<b>Types of account (i.e. checking, savings, PAIB, escrow)</b>	<b>Name of Financial Institution</b>	<b>Address of Financial Institution</b>	<b>Telephone Number</b>	<b>Contact Name</b>
Checking	NorthernTrust Co.	50 South LaSalle Street, Chicago, IL 60675	312-444-7582	June Lenz
Checking	Bank One	P.O. Box 360180, Baton Rogue, LA	312-732-5687	Bonnie Clyde
Various accounts	Pershing LLC	1 Pershing Plaza Jersey City NJ	888-367-4423	Carl Brazendale
	Morgan Stanley	1 Pierrepont Plaza Brooklyn, NY. 11201	718-754-6470	Jeff Sender

If our banks and other lenders are unable to provide the financing, we will seek alternative financing immediately.

## **Counter-Parties**

SF Investments, Inc. has contacted our critical counter-parties, such as other broker-dealers, 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.

## **11. Regulatory Reporting**

SF Investments, Inc. is subject to regulation by the FINRA and SEC, as well as various state and other securities regulators (see list of states in Part 10 – Regulators)

The Company currently files 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, FINRA, 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.

The Company's current regulators can be reached as follows:

FINRA District Number #8:

Address: 55 West Monroe Street, Suite 2700, Chicago, IL 60603-5001

Phone: (312) 899-4400

SEC Midwest Region:

Address: 175 W. Jackson Blvd., Suite 900, Chicago, IL 60604

Phone: (312) 353-7390

E-mail: [chicago@sec.gov](mailto:chicago@sec.gov)

STATE of Arizona:

Address: 1300 West Washington Street, 3<sup>rd</sup> Floor, Phoenix, AZ 85007

Phone: (602) 542-4242

STATE of California

Address: 320 West 4<sup>th</sup> Street, Ste. 750, Los Angeles, CA 90013-1105

Phone: (213) 576-7643

STATE of Connecticut

Address: 260 Constitution Plaza, Hartford, CT 06103-1800

Phone: (860) 240-8230 or (800)831-7225

District of Columbia

Address: 810 First Street NE, Suite 701, Washington DC 20002

Phone: (202) 727-8000

STATE of Florida

Address: 101 East Gaines Street, Plaza Level, The Capital, Tallahassee, FL 32399-0350

Phone: (850) 410-9805

STATE of Iowa

Address: 330 Maple Street, Des Moines, IA 50319-0065

Phone: (515) 281-5705

STATE of Illinois

Address: 17 North State St, Ste. 1100, Chicago, IL 60601

Phone: (312) 793-3384

STATE of Indiana

Address: 302 west Washington Street, Room E-111, Indianapolis, IN 46204

Phone: (317) 232-6681 or (800) 223-8791

STATE of Idaho

STATE of Massachusetts

Address: One Ashburton Place, 17<sup>th</sup> Floor, Boston, MA 02108

Phone: (617) 727-3584 or (800) 269-5428

STATE of Maryland

Address: 200 St. Paul Place, 20<sup>th</sup> Floor, Baltimore, MD 21202-2020

Phone: (410) 576-6360

STATE of Michigan

Address: Ottawa Bldg. 2<sup>nd</sup> Floor, 610 W. Ottawa St., Lansing, MI 48933

877-999-6442

STATE of Nevada

Address: 555 E. Washington Ave., 5<sup>th</sup> Floor, Suite 5200, Las Vegas, NV 89101

Phone: (702) 486-2440 or (800) 758-6440

STATE of New Jersey

Address: 153 Halsey Street, 6<sup>th</sup> Floor, Newark, NJ 47029

Phone: (973) 504-3600

STATE of New York  
Address: 120 Broadway, 23<sup>rd</sup> Floor, New York, NY 10271  
Phone: (212) 416-8000

STATE of North Carolina  
Address: 300 North Salisbury Street, Raleigh, NC 27603-5909  
Phone: (919) 733-3924 or (800) 688-4507

STATE of Oklahoma  
Address: Suite 860 First National Center, 120 North Robinson, Oklahoma City, OK 73102  
Phone: (405) 280-7700

STATE of Pennsylvania  
Address: Eastgate Office Bldg, 2<sup>nd</sup> Floor, 1010 N. Seventh Street, Harrisburg, PA, 17102-1410  
Phone: (717) 787-8061

STATE of Texas  
Address: Rusk Building, 208 E. 10<sup>th</sup> Street, 5<sup>th</sup> Floor, Austin, TX 78711-3167  
Phone: (512) 305-8300

STATE of Washington  
Address: General Administrative Bldg, Room 300, 210 11<sup>th</sup> Avenue SW, Olympia, WA 98504  
Phone: (360) 902-8760

STATE of Wisconsin  
Address: 345 W. Washington Avenue, Madison, WI 53703  
Phone: (608) 266-1064

## **12. Disclosure of Business Continuity Plan**

The Company will disclose in writing a summary of our BCP to customers at account opening or at the time a business relationship is established. The Company will notify customers in writing when material changes are made to the Plan than may affect their business relationship with the Company. The Company will also post the summary on our Web site and mail it to customers upon request.

The 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, the 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. Provide general information on our intended response.

Our summary also discloses the existence of back-up facilities and arrangements. A copy of the Company's disclosure statement is included at the back of this Plan.

### **13. Updates and Annual Review**

The Company will update this plan whenever there is a material change to its operations, structure, business or location or to those of the clearing firm.

The Company's BCP will be reviewed and modified, if necessary, at least annually, but no later than within 12 months of the date on which this Plan was put into effect or previously reviewed, to take into account any changes in the Company's operations, structure, business, or location or those of our clearing firm.

## **Customer Disclosure Statement SF Investments, Inc.**

The Company's plan takes into account two kinds Significant Business Disruptions (SBDs), internal and external. Internal SBDs affect only the Company's ability to communicate and do business, such as a fire or loss electrical power in the office or building.

External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a natural disaster, or another event that causes a wide-scale, regional disruption in essential services.

**Contact information:** Any questions regarding the Company's Business Continuity Plans should be addressed to: Dan Shapiro, 799 Central Ave. Suite 350 Highland Park, IL. 60035, (847) 926-5711.

**Internal SBDs:** In the event of a disruption in the Company's business operations due an internal SBD, the Company will attempt to continue to conduct business as usual by utilizing alternative communication methods (if available), such as the Internet, cell phones, etc., or by moving its operations to an alternative location.

**External SBDs:** In the event of a disruption in the Company's business operations due to an external SBD, the Company will attempt to continue to conduct business as usual by moving its operations to an alternative location outside the effected area, if possible, or by providing customers with alternative arrangements.

The Company will resume normal business operations as soon as it is able to do so, based on the type and the extent of the disrupting event.

**Communications:** In the event you are unable to reach the Company, customers should proceed as follows:

1. Attempt to contact the Company at the following alternate telephone number:
2. (847) 433-2675 (ATT Emergency Land Line) or
3. (847) 767-6021, 6025, 6026, 6028 or (847) 945-7978 (Emergency Cell Phones)
4. Contact the clearing firm directly at the following telephone number: (312) 663-3281.

All critical records related to the Company's business operations are backed-up weekly and stored in a secure offsite location. These back-up files can be used to restore Company systems to ensure that business can be back to normal as quickly as possible after the disruption.

The Company's clearing firm, Pershing, LLC, has established a plan to ensure continuity of business in the event of an SBD. For more information on their plan, visit their website at [www.pershingllc.com](http://www.pershingllc.com)