

Alton Securities Group, Inc Business Continuity Plan

Revised 8-16-2007

Alton Securities Group, Inc. Business Continuity Plan

Alton Securities Group, Inc (ASG) maintains Business Continuity Plans (BCP) intended to assist the firm in the event of a Significant Business Disruption (SBD). ASG's policy is to respond to a 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.

ASG 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 main office location. 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 RBC Dain Correspondent Services (RBCD cs), our clearing firm.

Matt D. Maberry, a registered principal, is responsible for approving the plan and for conducting the required annual review and has the authority to execute this BCP.

ASG maintains copies of its BCP plan, the annual reviews, and the changes that have been made to it for inspection. ASG has given the NASD Chicago district office a copy of our plan. An electronic copy of our plan is located on ASG's server and in the BCP Repository Service.

ASG is an introducing broker/dealer and does not perform any type of clearing function for itself or others. Similarly, ASG does not maintain customer's funds or securities. All transactions are processed through RBCD cs. RBCDcs also maintains ASG customers accounts, and can grant them access to them including delivering funds or securities. RBCD cs maintains it's own BCP creating an additional level of response to a (SBD) that may affect ASG.

RBC Dain, Correspondent Services is a division of RBC Dain, Inc. It's main office is located at
60 South Sixth St.
Minneapolis, MN 55402
(612) 607-8903
www.RBCDainCS.com

RBCD cs has three contact persons:

- Paul Meehl, Senior Operations Manager at RBC Dain Correspondent Services can be reached at 612-607-8998 or at paul.r.meehl@rbcdain.com.
- Dennis Hollenkamp, Vice President, Systems Director at RBC Dain Correspondent Services, can be reached at 314-589-5770 or at dennis.hollenkamp@rbcdain.com
- Amy Stern, Operation Risk and BCP Manager at RBC Dain, can be reached at 612-371-2362 or at amy.stern@rbcdain.com

ASG's main office and office of supervisory jurisdiction is located at
2410 Sate St.
Alton, IL 62002
(618) 466-9700
www.altonsecuritiesgroup.com

ASG's two emergency contact persons are:

- (1.) Matt D. Maberry, President, CEO
Home address:5 Redbud Ct.
Bethalto, IL 62010
Work number: (618) 466-9700
Work email: mmaberry@altonsecurities.com
Home number:(618) 377-7720
Cell number: (618) 792-0900
Home email: kmaberry@charter.net
- (2.) Gregory Bray, Principal, Corp. Secretary
Home address:6350 Clayton Rd. #103
St. Louis, MO 63117
Work number: (618) 466-9700
Work email: gbray@altonsecurities.com
Home number:(314) 781-1480
Cell number: (618) 530-6031
Home email: gregnjo@sbcglobal.net

These will be updated in the event of a material change and reviewed quarterly. ASG has several offices located throughout the Midwest. All offices are branch and non-branch locations. A complete list of their locations is attached as part of this BCP as Schedule A, and contains all pertinent information such as primary contact name, business address, phone number, email address and emergency contact info. ASG, and its registered representatives process all customer transactions through RBCD cs, and can accomplish this either electronically, by telephone, or in person and relies heavily on RBCD cs's ability to accept and process those requests.

In the event of an SBD, ASG can move staff from affected offices to unaffected locations. If telephone services can be switched, the ASG published phone number would be switched to the unaffected office number and change posted to ASG's web site with instructions and contact related info.

ASG does not maintain custody of customer' funds or securities, which are maintained at our clearing firm, RBCD cs. 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 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 by contacting RBCD cs.

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

ASG maintains primary books and records at the main office location: 2410 State St.; Alton, IL 62002, both hard and electronic, for all ASG customers. These would include all relevant customer files necessary for supervision re; new account forms, margin forms, ect. Similarly, all transaction related books and records are maintained at the main office location. RBCD cs maintains ASG's back-up books and records at their main office location: 60 South Sixth St.; Minneapolis, MN 55402. ASG backs up data on a daily basis, and maintains the back-up at RBCD cs's main office location.

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. 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.

In the event of an SBD, ASG will determine the value and liquidity of assets to evaluate our ability to continue to fund our operations and remain in capital compliance. We will contact our clearing firm, critical banks, and investors to apprise them of our financial status. If we determine that we may be unable to meet our obligations to those counter-parties 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.

ASG's "mission critical systems" include our leased hardware and proprietary software systems that ensure prompt and accurate order processing, order execution, confirmation, and access to customer accounts and related information. RBCD cs, through contract, provides the majority of these "mission critical systems" that ASG relies heavily on to conduct business.

ASG has the primary responsibility for establishing and maintaining business relationships with its customers.

The RBCD cs contract provides they will maintain a business continuity plan and the capacity to execute that plan. RBCD cs 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, which is attached. In the event RBCD cs 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 RBCD cs 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, RBCD cs represents that it will assist us in seeking services from an alternative source.

ASG receives customer orders primarily by telephone or in person. In the event of an SBD ASG will continue to accept orders through any possible means to the extent available. In addition ASG will notify and update customers regarding all available means of communication, and if necessary will advise customers to communicate directly with RBCD cs to place orders directly.

ASG primarily enters orders electronically via RBCD cs's proprietary "BetaLink" order execution system, and occasionally by telephone or wire directly to the appropriate order desk of RBCD cs. In the event of an SBD internal or external, ASG would continue to utilize the "BetaLink" system if available and by telephone directly with the appropriate trading desk of RBCD cs. Similarly, ASG can refer customers directly to RBCD cs for order execution, and related services.

ASG currently communicates with customers using telephone, e-mail, our Web site, fax, U.S. mail, and in-person visits. 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. Similarly ASG will use these same procedures for communicating with its employees and with its regulators, namely the Chicago District Office of the NASD, the SEC, and the State securities departments.

ASG has contacted its critical business constituents, local banks, telecommunication providers, and RBCD cs, to determine if they can continue to provide services in support of our ongoing business operations in the event of an external SBD. RBCD cs, also the firm maintaining our PAIB account, has provided via its BC executive summary (copy attached) assurance to continue contractually agreed upon services during an SBD. Similarly, the local banks providing services and maintaining accounts for the benefit of ASG have BCP's in place in the event of an SBD.

ASG is subject to regulation by the SEC, NASD, and State Securities Departments. ASG currently files reports with regulators using paper copies in the U.S. mail, and electronically using fax, e-mail, and the Internet. In the event of an SBD, ASG 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.

ASG maintains and updates a Business Continuity Executive Summary (BCES). Our summary addresses the possibility of a future SBD and how we plan to respond to events of varying scope. It distinguishes an internal SBD from an external SBD and explains how ASG will respond to each in an attempt to maintain business operations. ASG discloses in writing its BCES to customers when opening a new account and upon request. ASG will regularly review this BCP and amend it as necessary to better accommodate material changes in ASG's operations, business type or structure, or to material changes with respect to RBC Dain CS.

I have approved this BCP as reasonably designed to enable ASG to meet obligations to customers and to continue to perform business operations in the event of an SBD.

Matt D Maberry, President

Date

(Signed)