

Business Continuity Statement

The Leaders Group, Inc. is responsible for creating and maintaining business continuity plans for all of its businesses. In the event of a business disruption, we have plans designed to allow us to continue operations of critical business functions, such as entering of client orders, completing securities transactions and providing clients access to their cash and securities. We accomplish this in part by:

- § Relocating impacted businesses to designated recovery locations.
- § Using redundant processing capacity.
- § Designing our technology and systems to support the recovery processes for critical business functions.
- § Using business and technology teams that are responsible for activating and managing the recovery process.
- § Adopting a communication plan to ensure Leaders Group employees receive emergency notifications and instructions via a variety of sources.
- § Rehearsing our recovery procedures and testing those procedures on a regular basis.

As part of our plans, The Leaders Group, Inc. has identified the applications that are critical to each of our departments.

With regard to client assets, nearly all market-traded securities are held in central depositories (such as the Depository Trust Co.) or with custodian banks, rather than in physical certificates. Ownership of the securities is reflected on a book-entry record-keeping basis with our custodian banks or depositories' participants, maintaining on their records the beneficial ownership positions of their customers. This structure is recognized worldwide as providing investors with an unsurpassed level of liquidity and security for the assets they choose to custody with major financial institutions.

Although we have taken significant steps to develop and implement sound business recovery plans, we cannot guarantee that systems will always be available or recoverable after a disaster or significant business disruption. However, we believe that our planning for such events is robust and consistent with many of the best practices established within the industry. Any material changes to the above information will be available upon request.