

Midwood Securities BCP Summary Disclosure Statement:

The following is a summary of the Business Continuity Plan (BCP) for Midwood Securities, Inc. In compliance with rules set forth by the New York Stock Exchange (NYSE) and the Financial Industry Regulatory Authority (FINRA), the BCP is intended to summarize Midwood's efforts to mitigate risks associated with unexpected business disruptions. 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 to the best of our abilities assure customers prompt access to their funds and securities.

We have categorized these "SBD" events into two classes – internal and external events. Internal SBD's affect only our firm's ability to communicate and do business, such as a systems problem affecting our firm or a fire in our building. External SBD's 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 outside vendors.

Should Midwood Securities, Inc. ever experience an internal SBD where we would not be able to access our New York location or the New York "grid" became inoperable, we have a "hot" backup site where all business operations can take place. We would intend to continue to do business during such a scenario. The site is already "live" and operational, so recovery time is not an issue. General information regarding our intended responses would be communicated to clients on the fastest available means, be it phone, cellular phone, e-mail, instant message or our website. The New York office can be reached at 212-742-9600. The New Jersey office can be reached at 646-274-9570.

Should Midwood Securities, Inc. ever experience an external SBD, such as a terrorist attack, a city flood, or a wide-scale regional disruption that would prevent the operation of the securities markets or a number of firms, our intent again would be to operate from either office (New York or Freehold, NJ) not affected by the disruption. Should this not be feasible, our plan is to operate from the homes of senior management. Midwood is highly dependent upon the services of our vendors, and our ability to operate subject to an external SDB would depend upon the availability of our vendors and alternate vendors. Vendors, such as our clearing agent and order management systems, have robust BCP plans and would expect to continue operations via the Internet. It is the intent of Midwood to continue operations during an external SBD. We anticipate recovery time at one full business day to a full week, depending upon the severity of the disruption. Orders and request for funds and securities could be delayed during such a disruptions.

General information regarding our intended responses would be communicated to clients on the fastest available means, be it phone, cellular phone, e-mail, or our website. During a significant business disruption, Midwood will re-establish phone service with our

clients as quickly as possible. Clients should check our website at www.midwood.com for our latest information.

As a client of Midwood Securities, Inc., we recognize you may need access to your account to sell a position or request a check before we re-establish telephone service. During this time, CL King & Associates, our clearing firm, will assist you with sell/liquidation orders and provide check disbursements, if needed. If you cannot contact our firm, please call CL King for assistance at 518-431-3540.

This plan is subject to modification. Any updated summary will be promptly posted on our Web site at www.midwood.com. Customers may also obtain an updated hard copy BCP upon request by contacting us at 212-742-9600.

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