

## Business Continuity Plan Summary Disclosure

Signal Securities, Inc. (Signal) is dedicated to servicing its clients and facilitating the business of its registered representatives. In the event of a Significant Business Disruption (SBD), Signal will endeavor to continue providing the same level or a reasonably similar level of service to its customers and representatives. Signal's Board of Directors, Senior Management, and Executive Committee members have worked to develop and implement procedures and systems that should enable Signal to continue operations in the event of a SBD. However, depending upon the severity and longevity of a SBD, Signal's ability to sustain continuous operations may be adversely affected.

In the event of a SBD, the Business Continuity Plan (BCP) will act as Signal's guide for quickly reacting to and overcoming the challenges presented by the SBD. Signal's leadership considers its obligations to its customers and representatives as paramount. In the event of a SBD, the concerns and needs of customers and representatives will be the twin imperatives guiding Signal's efforts to continue business operations.

In the event of a SBD, Signal's senior management will initiate contact with corporate staff, directing staff members on what actions to take. Supervising principals will initiate contact with their assigned representatives, informing them of the situation and giving guidance on how to conduct business. Representatives or corporate staff will initiate contact with clients, informing them of the situation and providing guidance on how to conduct future business.

Signal maintains a single corporate office. All corporate business functions occur in that office. Although the impact of a SBD could be magnified because Signal's corporate operations are located in one office, Signal's senior management believes that having its corporate operations and staff in a single location enables it to respond more effectively and rapidly to a SBD. Signal has taken steps to mitigate the impact of a SBD by maintaining and regularly updating electronically stored information, which is kept at off-site locations.

If a SBD forces Signal to re-locate its corporate office, Signal has two available locations from which to continue its business operations. Depending upon the severity and duration of a SBD, Signal may utilize one or both alternate locations until its senior management can procure a new corporate office. Since most of Signal's mission-critical systems are accessible via the internet, corporate staff should be able to continue conducting normal daily business from either alternate location.

Signal does not custody customer securities or funds. Except for funds deposited into Signal's k(2)i account<sup>1</sup>, all securities and funds are held in a customer account at 1) Southwest Securities, Inc. (brokerage accounts), 2) Schwab Institutional (investment advisory accounts), or 3) at the respective investment company (mutual funds) or insurance company (including variable contracts). Customers may access their accounts by contacting the appropriate custodian directly.

Signal's BCP is designed to enable Signal to continue normal business operations in the event of a SBD. The unpredictable nature of disasters, however, precludes absolute preparedness under all circumstances. Situations may occur that affect entities upon whom Signal relies and over whom Signal has no control. In such situations, Signal's BCP may prove ineffective if those entities are unable or unwilling to respond adequately to a SBD affecting their respective organizations.

Signal's BCP is subject to change without prior notice. If Signal modifies its BCP, it will post an updated version on its internet website: [www.signalsecurities.com](http://www.signalsecurities.com). A printed copy of this BCP Summary Disclosure may be obtained by calling the following telephone number: 817.877.4256 extension 212. Signal sends copies requested by telephone via first class regular mail.

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<sup>1</sup> Signal maintains an Account for the Benefit of Customers at Southwest Bank. The purpose of the account is to hold temporarily customer funds for payment of securities.