

First Liberties Financial
Business Continuity Plan (BCP)
12/04/2018

I. Emergency Contact Persons

Our firm's two emergency contact persons are:

Hilary Bergman, President
hbergman@firstlibertiesfinancial.com
917-639-5453 (office) 917-287-7571 (cell)

Robert Shapiro, Principal
RShapiro@firstlibertiesfinancial.com
917-639-5456 (office) 646-391-0517 (cell)

These names will be updated in the event of a material change, and our Executive Representative will review them within 17 business days of the end of each quarter.

Rule: FINRA Rule 4370(f).

II. Firm Policy

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 assure customers prompt access to their funds and securities.

A. Significant Business Disruptions (SBDs)

Our Business Continuity Plan takes into consideration 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 building. 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 our clearing firm, RBC Capital Markets

B. Approval and Execution Authority

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

Rule: FINRA Rule 4370(b), (d) and (e).

C. Plan Location and Access

First Liberties Financial will maintain copies of its BCP plan and the annual reviews, and the changes that have been made to it for inspection. An electronic copy of our plan is located on the firm's file server in the file folder "Business Continuity Plan" and a copy is maintained at 7301 Mission Road, Prairie Village, Kansas Telephone 917-287-7571. Additionally, Hilary Bergman, President, will maintain an updated copy of the plan in his possession.

III. Business Description

Our firm's primary business focus is in the institutional broker dealer service category and our clients mainly enter into transactions in equity, mutual fund, annuity and fixed income securities as well as investment banking and capital raising for alternative investment products. Our firm is an introducing firm and does not perform any type of clearing function for itself or others. The firm does not hold customer funds or securities. We accept and enter orders directly to our clearing firm, which executes our orders, compares them, allocates them, clears and settles them. Our clearing firm also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities to them upon request. Our firm services both retail and institutional customers.

Our clearing firm is RBC Correspondent Services and our primary contact person at that clearing firm is Nick DeGidio at 612-371-2839. Our alternative contact at RBC is Mark Gorius 612-607-8643.

IV. Office Locations

The following is a list of First Liberties Financial branch offices:

Headquarters Office – New York, New York

Our headquarters office is located at:

369 Lexington Ave, Suite 341
New York, NY 10017 All clearing and operational activities occur at the New York office.

116 N. Carver, Winthrop, MN 55396
1846 Innovation Park Drive
Oro Valley, AZ 85755

110 Front Street
Suite 300
Jupiter, FL 33477

19 Chatuachee Crossing
Savannah, GA 31411

7301 Mission RD
Unit 214
Prairie Village, KS 66208

The main telephone number is (917) 639-5450 or (917) 639-5451. Our employees may travel to the office by foot, car or bus. Representatives in this facility engage in new account opening, order taking and customer service functions. Our clearing firm provides our firm access to RBC Gateway for new account opening, order entry and to review client account information. All First Liberties operations personnel have access to the RBC back office system, via our Virtual Private Network (VPN) as well as the Internet. The firm maintains a web-site, email systems, firewalls and other ancillary systems necessary to provide information and services to our clients.

V. Alternative Physical Location(s) of Employees

In the event of an SBD and our headquarters location is not accessible, our employees will be work remotely. We will forward all telephone calls to the personnel or mobile phones of employees or to our clearing firm, RBC Capital Markets LLC.

Rule: FINRA Rule 4370(c)(6).

VI. Customers' Access to Funds and Securities

All customer funds and securities are maintained by our clearing firm, RBC Capital Markets In the event of an SBD, if telephone service is available, our registered representatives will accept customer orders and/or instructions and immediately contact our clearing firm on their behalf. If telephone service is not available, our telephone numbers will be forwarded to our alternate site or to RBC and customers may enter orders and request disbursement of funds and/or delivery of securities through our representatives or directly from the clearing firm. Customers must identify themselves with their account number and or SSN to confirm their identity.

All funds and securities are maintained by RBC Capital Markets LLC.

Contact information related to RBC Capital Markets is made available on the client's monthly/quarterly account statement. First Liberties Financial will also post contact numbers and address on the First Liberties financial web-site when required by an SBD.

In the event the Securities Investor Protection Corporation (SIPC) determines that RBC Capital Markets is unable to meet our customer's obligations or if their liabilities exceed their assets in violation of Securities Exchange Act Rule 15c3-1, SIPC may seek to appoint a trustee to disburse our client assets. We will assist SIPC and the trustee by providing our books and records identifying customer accounts subject to SIPC regulation.

Rules: FINRA Rule 4370(a); Securities Exchange Act Rule 15c3-1; see also 15 U.S.C. § 78eee.

VII. Data Back-Up and Recovery (Hard Copy and Electronic)

First Liberties Financial maintains its primary books and records on redundant Cloud based servers provided by its technology and data vendor Chelsea Technologies.

Hilary G Bergman, *President*, (917)639-5453, Hbergman@firstlibertiesfinancial.com is responsible for the maintenance of these books and records. Our firm maintains the following document types and forms that are not transmitted to our clearing firm:

General Ledger (Copy maintained by Co. Accountant)
Income Statement (Copy maintained by Co. Accountant)
Balance Sheet (Copy maintained by Co. Accountant)
Accounts Payable (Copy maintained by Co. Accountant)
Accounts Receivable (Copy maintained by Co. Accountant)
Email (Copy maintained by GlobalRelay)
Firm Compliance Documents (Copy maintained by Chelsea Technologies)
Registered Employee Documents (Copy maintained by Chelsea Technologies)

The firm's back up capability for its electronic books and records is done in real time by its technology provider Chelsea Technologies. Additionally, the firm's electronic communications are backed up using GlobalRelay.

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 redundant file server locations.

Rule: FINRA Rule 4370(c)(1).

VIII. Financial and Operational Assessments

This section describes First Liberties' procedures for identifying changes in its operational, financial, and credit risk exposures in the event of an SBD. First Liberties periodically assesses the changes in these exposures, and quickly makes such an assessment in connection with an SBD.

A. Operational Risk

In the event of an SBD, we will immediately identify what means will permit us to communicate with our customers, employees, primary business partners, our bank and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will include Web site, telephone voice mail and secure email. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

Rules: FINRA Rules 4370(c)(3), (c)(4), (c)(5), (c)(7), (c)(9 & (g)(2)).

B. Financial and Credit Risk

In the event of an SBD, we will determine the value and liquidity of our investments and other assets to determine 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 and immediately take appropriate steps, including; notification to clearing firm, customers and shareholders of the current situation.

Rules: FINRA Rules 4370(c)(3), (c)(8) & (g)(2).

IX. Mission Critical Systems

Our firm's "mission critical systems" are those that ensure prompt and accurate processing of securities transactions, including order taking, entry, 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. These systems also provide for recording company financial information, employment data and general office expenses.

A. Our Firm's Mission Critical Systems

First Liberties utilizes the following mission critical systems:

RBC Wealthstation – Our primary system for order entry, client account positions and balances, clearance and settlement of transactions and delivery of customer securities and funds is operated and maintained by RBC Capital Markets

First Liberties Financial has primary responsibility for establishing and maintaining our business relationships with our customers and have sole responsibility for our mission critical functions of order taking, account opening and client servicing. Our clearing firm, RBC Capital Markets through contract provides; execution, comparison, allocation, clearance and settlement of securities transactions, maintenance of customer accounts, access to customer accounts, and the delivery of funds and securities.

Our Clearing Agreement with RBC Capital Markets provides that they will maintain a business continuity plan and the capacity to execute that plan. They also represent that they will advise us of any material changes to their plan that might affect our ability to maintain our business and have presented us with an executive summary of their plan, which is attached. In the event they execute their plan, they represent that it will notify us of such execution and provide us equal access to services as their other customers. If we reasonably determine that RBC has not or cannot put its plan in place quickly enough to meet our needs, or they are otherwise unable to provide access to such services, RBC represents that they will assist us in seeking services from an alternative source.

RBC Capital Markets, represents that it backs up our records at a secondary data center site in North Dallas at varying intervals ranging from transaction by transaction to periodic tape backups. They also represent that they operate a back-up operating facility in a geographically separate area with the capability to conduct the same volume of business as their primary site. They also have confirmed the effectiveness of their back-up arrangement to recover from a wide scale disruption by on-going testing, and they have also confirmed that it tests its North Dallas back-up facility daily. (Hot-site currently utilized for daily operations).

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. Our clearing firm has the following SBD recovery time and resumption objectives: Mission critical activities within 4 hours.

Quickbooks/ACI Secure

Quickbooks is primary system for maintenance and recording of financial information. All records including; general ledger, balance sheet, income statement and accounts

payable/receivable is backed up in real time via our accounting vendors servers which run a server version of Quickbooks.

1. Order Taking

Currently our firm accepts orders from our customers in person, via an Internet web site maintained by RBC Capital Markets or via telephone. In the event of an SBD, either internal or external, we will continue to take orders through any of these methods that are available and dependable. As communications allow, we will inform our customers of the order entry alternative(s) available to them, either secure email, telephone or in person. If an SBD renders our facility and secondary facility inoperative, we will advise our customers to place orders directly with our clearing firm at 612-607-8643.

2. Order Entry

Our firm currently enters orders by recording them on an electronic ticket and electronically transmitting the order via RBC Wealthstation to our clearing firm or in the event of a RBC Wealthstation system outage orders are entered via the Web site or telephone. We have contacted RBC Capital Markets and have been advised that, under its BCP, we can expect critical RBC Wealthstation services within one hour.

In the event of an internal SBD, we will enter and send records to our clearing firm by the fastest alternative means available, which include the web site or telephone. In the event of an external SBD, we will maintain the order in paper format, and deliver the order to the RBC by the fastest means available when it resumes operations. In addition, during an internal SBD, we may need to refer our customers to call RBC directly for order entry.

3. Order Execution

Currently our firm does not execute customer orders. All orders are transmitted to our clearing firm for execution.

4. Other Services Currently Provided to Customers

First Liberties Financial does not currently provide other services to our customers

B. Mission Critical Systems Provided by Our Clearing Firm

First Liberties Financial has entered into a contract with RBC Capital Markets to provide order execution, order comparison, order allocation, trade settlement and the maintenance of customer accounts, delivery of funds and securities, and access to customer accounts. Additionally, RBC provides a web site which also allows client access to their personal account and Pelion management personnel to access all accounts via the Internet.

Rules: FINRA Rules 3510(c)(2) & (g)(1).

X. Alternate Communications Between the Firm and Customers, Employees, and Regulators

A. Customers

Currently we communicate with our customers using the telephone, e-mail, our Web site, fax, U.S. mail, and in person visits at our headquarters office. In the event of an SBD, we will assess which means of communication are still available, and use the means closest in speed and form, written or oral, to the method that we have used in the past to communicate with the customer. For example, if we have communicated with a party by e-mail and the Internet is unavailable, we will call them on the telephone and follow up with a paper copy via the U.S. mail when a hard copy record is required.

Rule: FINRA Rule 4370(c)(4).

B. Employees

We now communicate with our employees using the telephone, e-mail, text (in emergencies) and in person. In the event of an SBD, we will assess which methods of communication are still available to us, and use the method closest in speed and form to the means that we have used in the past to communicate with the employee. We will also employ a call tree so that senior management can reach all employees quickly during an SBD. The call tree includes all staff home and office phone numbers. We have identified persons, noted below, who live near each other and may reach each other in person:

The person to invoke use of the call tree is: Hilary Bergman.

Caller	Call Recipients
Hilary Bergman	<i>Chris Savage (913-980-6932) or email csavage@firstlibertiesfinancial.com</i>
Robert Shapiro	<i>Robert Shapiro (646) 391-0517 or email at rshapiro@firstlibertiesfinancial.com</i>

Rule: FINRA rule 4370(c)(5).

C. Regulators

We are currently members of the following SROs:

FINRA
One World Financial Center
200 Liberty Street

New York, NY 10281
Member Regulation-District 10
Tanya Crosbourne-Associate Principal Examiner/Regulatory Coordinator
212-858-4772
Tanya.Crosbourne@finra.org

We currently communicate with our regulators using the telephone, e-mail, fax, U.S. mail, Federal Express and in person. In the event of an SBD, we will determine which means of communication are still available to us, and use the means closest in speed and form to the means that closely equates to past communication with the NASD.

Rule: FINRA Rule 4370(c)(9).

XI. Critical Business Constituents, Banks, and Counter-Parties

A. Business constituents

We have contacted our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services), and determined the extent to which we can continue our business relationship with them in light of the internal or external SBD. We will quickly establish alternative arrangements if a business constituent can no longer provide the needed services when we need them because of a SBD related to them or our firm.

Rules: FINRA Rule 4370(c)(7).

B. Banks

We have contacted our bank to determine if they can continue to provide the service and/or financing that we will need in light of the internal or external SBD. The bank maintaining our operating account is: Citibank, located at 630 Fifth Avenue New York, NY 10019. The Contact at is Mr. Victor Perez, Telephone 212-681-4503. The bank maintaining our Proprietary Account of Introducing Brokers/Dealers (PAIB account) is maintained by RBC Capital Markets, One RBC Plaza, Jersey City, NJ 07399. The Contact is Nick DeGidio 612-371-2839. If our banks and other lenders are unable to provide the financing, we will seek alternative financing immediately from Pelion Financial Group, Inc.

Rules: FINRA Rule 4370(c)(7).

C. Counter-Parties

We have contacted our critical counter-parties, such as other broker-dealers or institutional customers, 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 and/or contact those counter-parties directly to make alternative arrangements to complete any transactions as soon as possible.

Rules: FINRA Rule 4370(c)(7).

XII. Regulatory Reporting

First Liberties Financial is subject to regulation by: National Association of Securities Dealers, (NASD). We currently file reports with our regulators using paper copies (U.S. mail), and electronically using fax, e-mail, and the Internet. In the event of an SBD, we will check with the NASD and/or the SEC to determine which means of filing are still available to us, and use the means closest in speed and form to our previous filing method. In the event that we cannot contact our regulators, we will continue to file required reports using whatever communication means available to us.

FINRA

One World Financial Center

200 Liberty Street

New York, NY 10281

Member Regulation-District 10

Tanya Crosbourne-Associate Principal Examiner/Regulatory Coordinator

212-858-4772

Tanya.Crosbourne@finra.org

Rule: FINRA Rule 4370(c)(8).

XIII. Disclosure of Business Continuity Plan

First Liberties Financial provides a summary of its BCP to each new client at account opening. Additionally, a BCP disclosure notice and plan summary are posted on the company website. Copies of the BCP will be mailed to clients upon request. The following is the First Liberties BCP Disclosure:

First Liberties Financial Business Continuity Planning Disclosure

First Liberties Financial, (“FLF”), provides services using various computer systems and financial relationships. The events of September 11, 2001 emphasized the importance of the financial service industry and capital markets to our economy. As a result, and in accordance with Regulatory requirements we have developed procedures to improve our

response to various situations and the potential impact on our ability to serve you. This disclosure document is designed to provide you with information on how we will react to various situations that we may encounter.

Overview of First Liberties Financial

First Liberties Financial, a Member Firm of the Financial Industry Regulatory Authority (FINRA), Municipal Securities Rule Making Board (MSRB) and Securities Investor Protection Corp. (SIPC), is a full-service brokerage firm providing customers access to an extensive array of investment products and services. The headquarters office is located in New York, NY with representatives located in other locations in the United States.

FLF uses various mission critical systems to provide investment services to our clients. These systems are housed at our clearing firm, RBC Capital Markets, in their primary data center. RBC Capital Markets maintains a second data center which houses backup hardware/software, real time data copies and back office recovery space. Our business continuity planning (“BCP”) first insures the safety and security of our employees, and then provides for the on-going support of our clients. In addition to protecting our personnel and providing client support, our BCP and daily operations are focused on preserving critical firm and customer data through regular back-ups, which are moved off-site for safe storage in remote locations.

Finally, our industry is heavily interconnected with data connections ranging dedicated private lines, frame relay technology and, in many cases, the Internet through encrypted sessions. Where mission critical systems are involved, FLF/RBC Capital Markets have installed, where possible, redundant connections to the exchanges, utilities, vendors and counter parties necessary to provide high availability to clients.

Business Continuity Planning Response Scenarios

The details of our BCP are proprietary and may contain information which is confidential in nature and may be potentially harmful if publicly available. The following series of event scenarios are presented to disclose to you our planned approach for dealing with a variety of hypothetical Significant Business Disruptions (SBD’s), however based on the number of variables present in each situation, FLF can’t guarantee we will follow these plans.

Scenario: *An event occurs that, like 9/11, causes the complete shut-down of securities trading, clearance/ settlement or other banking services nationwide. (nationwide) Unless a securities industry holiday is declared, we plan to be open each business day until full functionality is restored. FLF plans to be available to its clients during this type of event to provide account information and we will await the reopening of the affected institutions. The recovery time in this scenario will be dependent on the timing specified by the impacted organizations. We plan to be ready to provide full service when the affected party’s operation is fully restored. (Projected recovery time objective unknown)*

***Scenario:** A specific exchange is unable to trade. (nationwide) FLF plans to continue business during this type of event and will route its orders to alternative exchanges for execution, when available. (Projected recovery time objective less than 1 hour)*

***Scenario:** A major telecommunications vendor loses a key central office or service offering. (nationwide and/or firm only) FLF plans to continue business during this type of event and will use alternative dialing plans (e.g. placing/receiving local calls through a long distance vendor different from the failed vendor), and backup lines from a different vendor for mission critical data applications. (Projected recovery time objective less than 3 hours)*

***Scenario:** Our headquarters location is closed. (single building, city wide, business district) FLF plans to continue business during this type of event and will transfer its mission critical activities to the home offices of management and operations personnel or forward all calls to our clearing firm for service. (Projected recovery time objective less than two hours)*

Our projected recovery times for business resumption may be negatively impacted by the unavailability of external resources and other circumstances beyond our control. In the event of a significant business disruption, First Liberties Financial Inc. will supply additional information via its web-site: www.firstlibertiesfinancial.com.

Updates to this disclosure

We will continue to work with all of our service providers to test our plans and as conditions within our firm, our clearing firm, other vendors and the industry change, we will update our plan accordingly. Updates to this disclosure document will promptly be placed on our website and you may request a hard copy of the current revision be sent to you via mail at any time.

XIV. Updates and Annual Review

The First Liberties' BCP will be updated whenever there is a material change to our operations, structure, business or location or to those of our clearing firm or their BCP. In addition, our firm will review this BCP annually and update it to include any necessary changes.

Rule: *FINRA Rule 4370(b).*

XV. Senior Manager Approval

Pursuant to FINRA Rule 4370(d), I have approved this Business Continuity Plan as reasonably designed to enable our firm to meet its obligations to customers in the event of an SBD.

Signed: Hilary Bergman

Name: Hilary Bergman

Title: President

Date: December 4, 2018