

Navy Federal Brokerage Services, LLC (NFBS) Business Continuity Planning

Navy Federal Brokerage Services, LLC (NFBS) has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our Business Continuity Plan.

Contacting Us – If after a significant business disruption (SBD) and you cannot contact your representative directly, please call our contact center at (877) 221-8108.

Customers' Access to Funds and Securities - NFBS does not maintain custody of customers' funds or securities, which are maintained at our clearing firm, or product sponsor. 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. If our Web access is available, our firm will post on our Web site that customers may access their funds and securities by contacting CUSO Financial Services at (800) 686-4724 or Pershing at (201) 413-3635. The firm will make this information available to customers through its disclosure policy.

Our Business Continuity Plan – We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm's books and records, and allowing our customers to transact business. In short, our Business Continuity Plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

Our Business Continuity Plan addresses: data backup and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

Our clearing firm, Pershing, backs up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by our clearing firm that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments within 72 hours.

Significant Business Disruptions (SBDs) Local/National - Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Our plan anticipates two kinds of SBDs: internal and external. Within each of these areas, the severity of the disruption can also vary from minimal to severe. 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.

In a disruption to only our firm or a building housing our firm, we will transfer our operations to a local site when needed and expect to recover and resume business within 72 hours. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside the affected area, and recover and resume business within 72 hours. In either situation, we plan to continue in business, transfer operations to our clearing firm if necessary, and notify you through our Web site <http://www.navyfederal.org/investinsure/index.html> or by calling our contact center (877) 221-8108. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our customer's prompt access to their funds and securities.

For more information – If you have questions about our business continuity planning, you can contact us at (877) 221-8108.