

Hancock Securities

Hancock Securities Group (HSG)/Hancock Investment Advisors (HIA)

2008 Business Continuity Plan

I. Emergency Contact Persons

Our firm's two emergency contact persons are: **Clint Lewis, Chief Compliance Officer**, 314.997.3191 x402, clewis@hancocksecurities.com and **Donald Hancock, President**, 314.997.3191 x401, dhancock@hancocksecurities.com. These names will be updated in the event of a material change, and our Chief Compliance Officer will review them within 17 business days of the end of each quarter.

Rule: FINRA Rule 3520.

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 plan anticipates 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.

B. Approval and Execution Authority

Clint Lewis, Chief Compliance Officer and a registered principal, is responsible for approving the plan and for conducting the required annual review. *Donald Hancock or Clint Lewis* has the authority to execute this BCP.

C. Plan Location and Access

Our firm 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 HSG.loc server in the u:Clint Lewis/Compliance/HSG BCP 2008 and is also stored offsite at our pre-arranged storage facility at Wm. Davidson Painting Co. located at 2640 Creve Coeur Dr. St. Louis, Missouri 63144.

III. Business Description

Our firm conducts business in equity and fixed-income securities, mutual funds, annuities and insurance. Our firm is an introducing firm and does not perform any type of clearing function for itself or others. Furthermore, we do not hold customer funds or securities. We only accept and enter orders. All transactions are sent 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. Our firm services retail and institutional customers.

Our clearing firm is Mesirow Financial Inc., 350 N Clark, Chicago, IL 60610, 800.453.0600, 8am – 5pm CST or email bndiaservices@mesirowfinancial.com and our contact person at that clearing firm is client services at 800.552.2491.

IV. Office Locations

A. Main Office Location

Our Office is located at 9645 Clayton Road 2nd Floor, St. Louis, Mo 63124. Its main telephone number is 314.997.3191 or 800.595.1814. Our employees may travel to that office by means of foot, car or bus. We engage in order taking and entry at this location.

V. Alternative Physical Location(s) of Employees

In the event of an SBD, we will move our staff from the affected office to Owen Ridge campus at 345 Marshall Road, St Louis, Mo 63119. This location is 5 miles from our #1 office location. If this location is not possible we will make arrangements to move to another officers or directors home residence with phone lines and DSL availability. Its main telephone number is 314.963.3477.

Rule: FINRA Rule 3510(c)(6).

VI. Customers' Access to Funds and Securities

Our firm does not maintain custody of customers' funds or securities, which are maintained at our clearing firm, Mesirow Financial. 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, and if our Web access is available, our firm will post on our Web site that customers may access their funds and securities by contacting Mesirow Financial client services department @ 1.800.552.2491 x7007 or email client services at clientservices@mesirowfinancial.com to ask the funds or securities to be released. The firm will make this information available to customers through its disclosure policy.

If SIPC determines that we are unable to meet our obligations to our customers or if our liabilities exceed our assets in violation of Securities Exchange Act Rule 15c3-1, SIPC may seek to appoint a trustee to disburse our assets to customers. We will assist SIPC and the trustee by providing our books and records identifying customer accounts subject to SIPC regulation.

Rules: FINRA Rule 3510(a); Securities Exchange Act Rule 15c3-1; 15 U.S.C. 78eee (2003).

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

Our firm maintains its primary hard copy books and records and its electronic records at 9645 Clayton Road, St Louis, MO 63124. Clint Lewis, CCO, 314.997.3191 x402 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: Trust papers, Option agreements, and certain client letter of instruction such as address changes.

Our firm maintains its back-up hard copy books and records at Wm. Davidson Painting Co. located at 2640 Creve Coeur Dr. St. Louis, Missouri 63144. These records are Paper copies, diskettes and CD-ROMs. *Clint Lewis, CCO, 314.997.3191* is responsible for the maintenance of these back-up books and records. We back up our records monthly.

The firm backs up its electronic records weekly by using an automatic tape backup system to encompass the entire server and keeps a monthly copy at Wm. Davidson Painting Co. located at 2640 Creve Coeur Dr. St. Louis, Missouri 63144.

In the event of an internal or external SBD that causes the loss of our paper records, we will physically recover them from our back-up site. 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 back-up site, or, if our primary site is inoperable, continue operations from our back-up site or an alternate location. The attached inventory lists will help us restore electronic functions quickly. All electronic components are normal inventory for most electronic stores such as Dell Corporation.

Rule: FINRA Rule 3510(c)(1).

VIII. Financial and Operational Assessments

A. Operational Risk

In the event of an SBD, we will immediately identify what means will permit us to communicate with our customers, employees, critical business constituents, critical banks, critical counter-parties, and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will

employ will include our website, telephone voice mail and secure e-mail. 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 3510(c)(3) & (f)(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 evaluate 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 from existing partners or our holding company Manchester Holdings, we will request additional financing from our bank relationships or other credit sources to fulfill our obligations to our employees, suppliers and clients. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take appropriate steps.

Rules: FINRA Rules 3510(c)(3), (c)(8) & (f)(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. More specifically, these systems include: Thomson Financial and BETA Back-Office.

We have primary responsibility for establishing and maintaining our business relationships with our customers and have sole responsibility for our mission critical functions of order taking and entry. Our clearing firm provides, through contract, the 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.

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

Our clearing firm represents that it backs up our records at a remote site. Our clearing firm represents that it operates a back-up operating facility in a geographically separate area with the capability to conduct the same volume of business as its primary site. Our clearing firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing annually and it has confirmed that it tests its back-up arrangements annually.

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: recovery time period of *within* 48 hours; and resumption time of 48 hours.

A. Our Firm's Mission Critical Systems

1. Order Taking

Currently, our firm receives orders from customers via telephone and in person visits with the customer. During an SBD, either internal or external, we will continue to take orders through any of these methods that are available and reliable, and in addition, as communications permit, we will inform our customers when communications become available to tell them what alternatives they have to send their orders to us. Customers will be informed of alternatives by web (www.hancocksecurities.com), phone, email, automatic phone answering attendant. If necessary, we will advise our customers to place orders directly with our clearing firm's trading desk at 800.248.7220.

2. Order Entry

Currently, our firm enters orders by printing a paper record and electronically sending them to our clearing firm. Alternatively, we can place customer orders via phone at 800.248.7220. We have contacted Mesirov/BETA and were told that, under its BCP, we can expect standard operating services within 48 hours.

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 email, telephone or electronically. In the event of an external SBD, we will maintain the order in electronic or paper format, and deliver the order to the clearing firm by the fastest means available when it resumes operations. In addition, during an internal SBD, we may need to refer our customers to deal directly with our clearing firm for order entry.

3. Order Execution

We currently execute orders by entering the trade information into BETA Back-Office system. In the event of an internal SBD, we call, email or fax Mesirow Financial to place the order for execution and clearing. In the event of an external SBD, we would call, email or fax the client order via the BCP plan we are directed to use from our service provider which is having a SBD such as Thomson Financial, Mesirow or AT&T Communications.

4. Other Services Currently Provided to Customers

In addition to those services listed above in this section we also provided web access to account information for clients. In the event of an internal SBD, we continue to perform this function since it is on a Mesirow Financial server. In the event of an external SBD, we would conform to Mesirow Financial's BCP plan and notify our clients of any changes or the length of time the service will be continued.

B. Mission Critical Systems Provided by Our Clearing Firm

Our firm relies, by contract, on our clearing firm to provide order execution, order comparison, order allocation, and the maintenance of customer accounts, delivery of funds and securities, and access to customer accounts.

Rules: FINRA Rules 3510(c) & (f)(1).

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

A. Customers

We now communicate with our customers using the telephone, e-mail, website, fax, U.S. mail, and in person visits at our firm or various off-site locations. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. For example, if we have communicated with a party by e-mail but the Internet is unavailable, we will call them on the telephone and follow up where a record is needed with paper copy in the U.S. mail.

Rule: FINRA Rule 3510(c)(4).

B. Employees

We now communicate with our employees using the telephone, e-mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. 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: [*Clint Lewis*]

Caller	Call Recipients
Clint Lewis	Don Hancock 997 3191 or 781 5048
	Steve Rull 997 3191 or 378 1437
	Brian Corrigan 997 3191 or 494 2706
Steve Rull	Joe Garea 997 3191 or 378 1436
	John Smith 317 535 6738
	Dorothy Hawkins 997 3191 or 740 3515
Brian Corrigan	Brandon Janosky 997 3191 or 351 7006
	Randy Graham 997-3191 or 374-9111
Dorothy Hawkins	Meredith Jones 567-8991
	Nick Trentmann 609-3977

Rule: *FINRA Rule 3510(c)(5).*

C. Regulators

We are currently members of the following SRO: FINRA. We communicate with our regulators using the telephone, e-mail, fax, U.S. mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party.

Rule: *FINRA Rule 3510(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 goods or services when we need them because of a SBD to them or our firm. Our major suppliers are:

First National Bank - St Louis	Banking	9645 Clayton Road
	Landlord/Location	St. Louis, MO 63124
Mesirow Financial Inc	Clearing	350 N Clark
		Chicago, IL 60610

Don Mehan	Attorney	8015 Forsyth St. Louis, MO 63105
Thomson Financial	Order Entry	195 Broadway New York, NY 10007
Hauk, Fasani, Ramsey, Kruse & Co	Accounting	104 W Adams St. Louis, MO 63122
LaSalle Trust	HIA custody	135 S. LaSalle St Chicago, IL 60603

Rules: *FINRA Rule 3510(c)(7).*

B. Banks

We have contacted our banks and lenders to determine if they can continue to provide the financing that we will need in light of the internal or external SBD. The bank maintaining our operating account is: First National Bank of St Louis; 9645 Clayton Rd; St Louis MO 63124. The bank maintaining our Proprietary Account of Introducing Brokers/Dealers (PAIB account) is Mesirow Financial 350 N Clark, Chicago IL 60610. If our current banks and other lenders are unable to provide the financing, we will seek alternative financing immediately from various banking relationship that we work closely with through our affiliate Hancock Investment Advisors.

Rules: *FINRA Rule 3510(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 or contact those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

Rules: *FINRA Rules 3510(a) &(c)(7).*

XII. Regulatory Reporting

Our firm is subject to regulation by the FINRA, SEC. We now file reports with our regulators using paper copies in the U.S. mail, and electronically using fax, e-mail, and the Internet. In the event of an SBD, we will check with the SEC, FINRA, and other regulators to determine which means of filing are still available to us, and use the means closest in speed and form (written or oral) to our previous filing method. In the event that

we cannot contact our regulators, we will continue to file required reports using the communication means available to us.

Rule: FINRA Rule 3510(c)(8).

XIII. Disclosure of Business Continuity Plan

We provide in writing a BCP disclosure statement to customers at account opening and annually through a statement stuffer via Mesirow Financial. We also post the disclosure statement on our website and mail it to customers upon request. Our disclosure statement is attached.

Rule: FINRA Rule 3510(e).

XIV. Updates and Annual Review

Our firm will update this plan whenever we have a material change to our operations, structure, business or location or to those of our clearing firm. This policy is subject change at any time without notice. In addition, our firm will review this BCP annually (June), to modify it for any changes in our operations, structure, business, or location or those of our clearing firm.

Rule: FINRA Rule 3510(b).

XV. Senior Manager Approval

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.

Rule: FINRA Rule 3510(d).

Signed: _____

Title: _____

Date: 1/1/2008 _____