

Business Continuity Plan (BCP) Summary and Disclosure

Securities industry regulations require that brokerage and investment advisor firms inform their clients of their plans to address the possibility of a business disruption that potentially results from a power outage, natural disaster, or other event. Eqis Capital Management has a comprehensive business continuity program in place, which we review, update and test on a regular basis. This plan provides for continuation of client services in the event of various types of interruptions, such as those at our facilities as well as the services we provide. Although we obviously we cannot plan for or guarantee against all contingencies, we have developed this plan in an effort to stem off and / or prepare for most contingencies.

To conform with regulatory expectations, Eqis Capital Management's strategy is designed so that we can meet our present obligations to our clients in the event of an unplanned interruption in business, such as in an emergency or a Significant Business Disruption (SBD). In order to facilitate this, we make strive to respond to significant business disruptions by safeguarding employees' lives and firm assets, making a financial and operational assessment, safely and swiftly recovering and resuming operations, protecting all of our books and records, and ensuring that our customers can continue 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 (if applicable).

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 or power outage 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, earthquake, 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.

Key points to our plan include:

- Operational assessments
- Provisions for rapid resumption of mission critical systems
- Back-up arrangements for material relationships with business constituents, banks and appraisals of counter-party impact
- Back up system for recovery of data (both hard copy and electronic data)
- Alternate means for communications for use between employees and the firm, as well as between customers and the firm
- Instructions for communications with regulators and regulatory reporting requirements in the event of a disaster
- Description of the alternate physical locations of employees and/or certain departments
- Assurance for customers' prompt access to their funds and securities in the event the firm determines it is unable to continue its business
- Provisions for updating the plan
- Provisions for periodic testing of the plan
- Notification of relevant provisions of the plan to customers of the firm

No contingency plan can eliminate all risk of service interruption or temporarily impeded account access. Nevertheless, we assess and update our plans to mitigate risks to the extent reasonable. In creating our BCP, certain assumptions have been made such as alternative facilities being accessible, sufficient personnel being available, and external organizations including securities markets and government agencies being operational. If these assumptions are not valid under particular circumstances, we will evaluate possibilities for minimizing the disruption to services as feasible at that time and will promptly provide clients with information about how to access their funds and securities. In an effort to provide support and updated information, clients may contact us through our website at www.eqiscapital.com or via phone at **800-949-9936**. In addition, for alternative access they may contact the Custodian(s) directly to access their funds in the event of an emergency at www.foliofn.com or 888-485-3456. We will review, update and test our BCP as needed in the event of changes to our business processes, technology and staff at a minimum annually. We will continue to post updated information on our website. You may also obtain our current BCP summary by submitting a written request to: Eqis Capital Management, Inc. ATTN: Business Continuity Plan, 1000 4th St., Ste 650, San Rafael, CA 94901 or via email sent to compliance@eqis.com.

Making sure that any type of disruption does not unduly impact our clients is extremely important to us, and our BCP is designed to allow us to continue to provide the high quality service you have come to expect from Eqis Capital.