

PDQ ATS, Inc.

Business Continuity Plan (BCP)

3-31-10

Emergency Contact Persons

Our Firm's two emergency contact persons are: Ed O'Malley, 224-521-2494, eomalley@pdqats.com President and CCO of the firm and , Jason Wallach 212-343-9410, jwallach@pdqats.com a registered principal and supervisor within the Firm. These names will be updated in the event of a material change, and our Executive Representative will review them annually

1) 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. However, a SBD of such a severe nature may cause the Firm to cease operation until the SBD can be resolved.

A. Significant Business Disruptions (SBDs)

Our plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect 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

Ed O'Malley, a registered principal, is responsible for approving the plan and for conducting the required annual review. Ed O'Malley 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 our PDQ Sharepoint portal and our website that can be accessed by all employees.

2) Business Description

Our firm conducts business in equity securities only. 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 accept and enter orders into our trading platform where they are executed. All transactions are sent to our clearing firm, which compares them, allocates them, clears and settles them. Our firm services only Broker Dealer clients. We do not engage in any private placements.

Our clearing firm is Wedbush Morgan Securities, 1000 Wilshire Boulevard, Los Angeles, CA 90017. (www.wedbush.com) Our contact person at Wedbush Morgan Securities is Rob Paset, 213-688-4579, Rob.Paset@Wedbush.com. Our clearing firm has also given us the following alternative contact in the event it cannot be reached: Jeff Martin, 213-688-4574, Jeff.Martin@Wedbush.com.

We also have established a clearing relationship with Merrill Broadcort, 101 Hudson Street, 10th Floor, Jersey City, NJ 07302. Our contact person at Merrill Broadcort is Ken Cultraro, 201-557-4260.

3) Office Locations

Our firm has offices located in Location #1 and Location #2

a. Office Location #1

Our Location #1 Office is located at 2624 Patriot Boulevard, Glenview, Illinois 60026. Its main telephone number is 224-521-2700. Our employees may travel to that office by means of foot, car or train. We engage in managing client services, overseeing system operations and the general trading operations of the firm are at this location.

b. Office Location #2

Our Location #2 Office is located at . 51 East 42nd Street, suite #700 Its main telephone number is 212-343-9410. Our employees may travel to that office by means of foot, car, subway or train. We engage in sales and some system monitoring at this location.

4) Alternative Physical Location(s) of Employees

In the event of an SBD, we will move our staff from affected offices to the closest of our unaffected office locations. If none of our other office locations is available to receive those staff, we will move them to The Glen Golf Course Facilities in Glenview Illinois where computer access will be provided. The main telephone number there is 847-724-7272.

5) Customers' Access to Funds and Securities

Our firm does not maintain custody of client's funds or securities. Because all of our clients are Broker Dealers all client funds are maintained at the Broker Dealer's clearing firm.

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

Our firm maintains its primary hard copy books and records at 2624 Patriot Boulevard, Glenview, IL 60026. Our firm maintains its primary electronic copy books and records at 300 Boulevard E, Weehawken, NJ. Ed O'Malley, 224.521.2494 is responsible for the maintenance of these books and records. An additional set of books and records kept at our FINOP's office in Atlanta Georgia. Our firm maintains the following document types and forms that are not transmitted to our clearing firm:

- PDQ Subscriber Manual
- PDQ Subscriber Information Request
- PDQ Liquidity Provider Agreement
- PDQ Liquidity Provider FIX Specification
-
- PDQ Liquidity Seeker Agreement
- PDQ Liquidity Seeker FIX Specification e
- PDQ Sponsored Participant Information Request
- PDQ Sponsored Participant Agreement – Liquidity Provider
- PDQ Sponsored Participant Agreement – Liquidity Seeker
- PDQ Vendor Information Request
- PDQ Vendor Agreement

The Firm's third party vendors also maintain copies of critical data as follows: Brian Megenity (678-575-2056) maintains copies of our financial filings and our attorney David L. Haselkorn (phone 202-364-2505) maintains copies of the Firm's operating agreement, Board minutes and other legal documents.

The firm backs up its electronic records daily by transmission over the Internet and keeps a copy in a non-rewritable electronic form at 2624 Patriot Boulevard, Glenview, IL 60026. An additional copy of the daily records is sent to our FINOP (in Atlanta Georgia) at the end of each month.

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/vendors. If our primary site is inoperable (the ATS system becomes inoperable), we will stop accepting orders from subscribers. For the loss of electronic records, we will either physically recover the storage media or electronically recover data from our back-up.

7) 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 Web site, telephone voice mail, and/or 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).

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. Our Firm does not engage in proprietary trading and does not clear trades or hold customer fund or securities. Therefore, the Firm maintains minimal financial or credit risk in the event of an SBD. However, if needed the Firm has financing available through PDQ Enterprises.

8) 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 and allocation. Our Firm does not clear securities transactions, does not maintain customer accounts, provide access to customer accounts, nor delivers funds and securities. Our mission critical systems include : Internet Provider (Glenview Office): *Cimco Communications Inc, 1901 S. Meyers Rd., Suite 700, Oakbrook Terrace, IL 60181, 800.922.4626 and Comcast 9651 Gross Point Road, Skokie, IL 866-594-1234; Trade Reporting Facility: FINRA / NYSE TRF, NYSE Arca, Inc., 100 South Wacker Driver, Suite 1800, Chicago, IL 60606, 888.689.7739; Exchange: BATS Exchange Inc., 8050 Marshall Drive, Ste. 120, Lenexa, KS 66214, 913.815.7002; Exchange: NYSE Arca, Inc., 100 South Wacker Driver, Suite 1800, Chicago, IL 60606, 888.689.7739., Direct Edge, 545 Washington Boulevard, 6th Floor, Jersey City, NJ 07310.*

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. Our clearing firm has the following SBD recovery time and resumption objectives: recovery time period of mission critical systems will be within the same day as the SBD.

A. Our Firm's Mission Critical Systems

i. Order Taking

Currently, our firm receives orders from subscribers electronically via FIX and their proprietary or participating third-party order management systems. During an SBD, either internal or external, we will shut down the trading platform and notify subscribers that the system is down by secure email or telephone. As communications permit, we will inform our subscribers when communications become available to tell them when the system can be restored. Subscribers will be informed of alternatives by email or telephone.

ii. Order Routing

Currently, our firm routes orders by recording them electronically and routing them to an external marketplace electronically.

In the event of an internal SBD, we will cancel all orders. In the event of an external SBD, we will maintain the order in electronic or paper format, and after notifying the subscriber via email, route out to a functioning external marketplace.

iii. Order Execution

We currently execute orders by matching a buyer with a seller and reporting the trade to a Trade Reporting Facility. In the event of an internal SBD, we would cancel all subscriber orders. In the event of an external SBD, we would report trades to an available and functioning Trade Reporting Facility, route out to a functioning market place, or cancel the subscriber orders.

b. Mission Critical Systems Provided by Our Clearing Firm

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

9) Alternate Communications Between the Firm and Customers, Employees, and Regulators

A. Customers

We now communicate with our customers using the telephone, e-mail, our Web site, fax, U.S. mail, and in-person visits at our firm or at the other location. 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.

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: Ed O'Malley

Caller	Call Recipients
Ed O'Malley (cell 847-894-6315)	Jason Wallach (cell 917-701-6222)

	David Padgitt (cell 847- 309-5428)
Jason Wallach	Brian Megenity (678-575-2056)

C. Regulators

We are currently members of the following SROs: FINRA, (Chicago District Office, 55 West Monroe, Suite 2700, Chicago, IL 60603-5052 (312.899.4400)), NYSE Arca, Inc, 100 South Wacker Driver, Suite 1800, Chicago, IL 60606, (James Draddy 312.442.7930), BATS Exchange, 8050 Marshall Drive, Ste. 120, Lenexa, KS 66214 (Phone: 913.815.7002)

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.

10) 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:

- Data Center Hosting: Savvis, 300 Blvd. E, Weehawken, NJ 07086, 201.864.7036
- Market Data: Essex Radez LLC, 440 S. LaSalle St., Suite 1111, Chicago, IL 60605, 312.212.1815
- Market Connectivity: Reliance Globalcom Services, Inc., 114 Sansome Street, 11th Floor, San Francisco, CA 94104, 415.901.2054
- Clearing: Wedbush Morgan Securities, 1000 Wilshire Blvd., Los Angeles, CA 90017, 213.688.0076
- Clearing: Merrill Broadcort, 101 Hudson, 10th Floor, Jersey City, NJ 07302, 201-557-3435

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 Proprietary Account of Introducing Brokers/Dealers (PAIB account) is Wedbush Morgan Securities, 1000 Wilshire Blvd., Los Angeles, CA 90017, 213.688.0076 If our banks and other

lenders are unable to provide the financing, we will seek alternative financing immediately from PDQ Enterprises.

c. Counter-Parties

Are detailed in sections above

11) Regulatory Reporting

Our firm is subject to regulation by: SEC, FINRA, NYSE Arca and BATS. Our DEA is FINRA. 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. Regulator contact information: FINRA, **Chicago District Office, 55 West Monroe, Suite 2700, Chicago, IL 60603-5052 (312.899.4400)**

12) Disclosure

The Firm will provide, an abbreviated disclosure to subscribers at account on request and will post the disclosure to its Web Site.

13) 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. In addition, our firm will review this BCP annually, on November 1st to modify it for any changes in our operations, structure, business, or location or those of our clearing firm.

14) 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.

Signed: _____

Title: _____

Date: _____