
Business Continuity Plan

2017 Summary for Consumers



Common Purpose. Uncommon Commitment.

I. Emergency Contact Persons

CBSI's two emergency contact persons are: Timothy S. Halevan, Vice President - Chief Compliance Officer, telephone number 319-483-3241, e-mail tim.halevan@cunamutual.com; and Melissa Haberstich, telephone number 319-483-2359, e-mail melissa.haberstich@cunamutual.com. 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.

II. Firm Policy

CBSI'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 securities accounts.

A. Significant Business Disruptions (SBDs) Local/National

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 to a number of firms, such as a terrorist attack, a flood, or a wide-scale, regional disruption.

B. Approval and Execution Authority

Timothy S. Halevan, Vice-President and Chief Compliance Officer, a registered principal, is responsible for approving the plan and for conducting the required annual review and has the authority to execute CBSI's business continuity plan (BCP).

C. Plan Location and Access

Our firm will maintain copies of its business continuity plans and the annual reviews. An electronic copy of our plan is located on the corporate servers and department managers have plan information stored on individual data storage devices.

III. Business Description

CBSI conducts business primarily in mutual funds, equities, fixed income, unit investment trusts, real estate investment trusts, managed, and registered variable products. 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.

For brokerage account customers, we accept and enter orders. All transactions are submitted to our clearing firm who executes our orders, compares, allocates, 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 serves primarily retail customers.

CBSI also processes customer applications and checks for variable contracts, mutual funds, REITs, etc. held directly with the product sponsors. Applications and checks (payable to the product sponsor) are delivered to the applicable product sponsor.

IV. Office Locations

A. Office Location #1

Our Office Location #1 is located at 2000 Heritage Way, Waverly, IA 50677. The main telephone number is 800-369-2862. Our employees generally travel to that office by means of automobile. We engage in order taking and entry at this location as well as processing check-and-app business for accounts held directly with the product sponsors.

B. Office Location #2

We do not have a second location.

V. Alternative Physical Location(s) of Employees

In the event of an SBD, we will move our staff from affected offices to the office located at 5910 Mineral Point Rd., Madison, WI 53705. Its main telephone number is 800-356-2644. Some staff may perform functions using web-based systems from their homes.

VI. Customers' Access to Funds and Securities

CUNA Brokerage Services, Inc. does not maintain custody of customer funds or securities. Our clearing firm provides custody services for brokerage accounts. Other customer funds are held directly with individual product sponsors for check-and-app business.

Currently, our firm enters account instructions by sending them to our clearing firm through its asset movement and account opening and maintenance systems. In the event of an internal SBD, we will enter and send instructions to our clearing firm by the fastest alternative means available, which includes via alternate website access and/or telephone. In the event of an external SBD, we will maintain the order in electronic or paper format, and deliver the instruction to the clearing firm by the fastest means available to us.

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.

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

Primary books and records are electronically stored at a company location. A back-up copy is stored by a third party vendor contracted to provide this service.

Electronic communications, file notes, branch audits, firm element continuing education, and annual compliance and outside business questionnaires are retained with vendors with whom we have contracted for specific services.

In the event of an internal or external SBD that causes the loss of our records, we will recover them from our back-up systems or applicable vendor. If our primary site is inoperable, we will continue operations from our back-up site or an alternate location.

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 web site, status or update message when calling the toll free number,

telephone voice mail, secure e-mail, etc. 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/credit unions 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. Timothy S. Halevan is responsible for notifying applicable regulators.

IX. Mission Critical Systems

Our firm's mission critical systems are those that ensure prompt and accurate processing of securities transactions, including check-and-app business, order taking, order entry, the maintenance of customer accounts, and the delivery of funds and securities.

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, the maintenance of customer accounts, and order entry. Our clearing firm or product sponsors provide, through contract, the execution, comparison, allocation, clearance and settlement of securities transactions, access to customer accounts, and the delivery of funds and securities.

We also maintain relationships with product sponsors for check-and-app business. This would involve the prompt delivery of applications and checks to the various product sponsors.

Our clearing firm contract provides that the 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. In the event our clearing firm executes its plan, it represents that it will notify us of such execution and provides us access equal to that of 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, and has confirmed that they test its back-up arrangements.

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.

A. Our Firm's Mission Critical Systems

1. Order Taking

Currently, our firm receives orders from customers via telephone, voice recognition telephone service, and our web site at <http://members.cunamutual.com> or <https://cunabrokerageservices.netxinvestor.com/web/cuna/login>. During an SBD, either internal or external, we will continue to take orders through any of these methods that are

available and reliable, or as communication systems permit, we will inform our customers what alternatives they have to send their orders to us. Customers will be informed of alternatives by a message on our customer service telephone line(s) and/or our website.

2. Order Entry

Currently, our firm enters orders by sending them to our clearing firm through its order entry system. In the event of an internal SBD, we will enter and send records to our clearing firm by the fastest alternative means available, which includes via telephone. 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.

3. Order Execution

We currently do not execute our own orders.

4. Other Services Currently Provided to Customers

In addition to the services listed above, CBSI also processes applications and checks for securities products held directly by product sponsors such as mutual funds, REITS, 529 plans, managed, and variable contracts.

Brokerage accounts may be opened by CBSI advisors located in offsite branch offices and by CBSI associates located in the Office Location #1. Account maintenance is also performed by CBSI associates at this location. In the event of an internal or external SBD, CBSI would communicate to advisors to open new accounts at their branch office. For accounts that cannot be opened at branch locations, account maintenance and/or fund direct applications and checks, advisors will be directed to send the information to an alternative location if necessary.

B. Mission Critical Systems Provided by Our Clearing Firm

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

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

A. Customers

We generally communicate with our customers using the telephone, e-mail, our web site, fax and/or U.S. mail. 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.

B. Employees

We communicate with our employees using telephone, email, fax, 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/or cell and office phone numbers. Local radio and television may be used for general information announcements.

The person to invoke use of the call tree is: Timothy S. Halevan, Chief Compliance Officer and Deb Freeseemann, Director of Operations.

C. Regulators

We are currently members of the following Self-Regulatory Organizations: FINRA, MSRB. 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.

XI. Critical Business Constituents, and Counter-Parties

A. Business Constituents

We have contacted our critical business constituents and determined the extent to which we can continue our business relationship with them in light of an internal or external SBD. We will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services because of a SBD to them or our firm.

B. Utility Providers

In the event we experience an interruption to our electrical, phone or internet services, a facility response team will contact the appropriate service provider.

If necessary, associates will be relocated to sites where telephone, utility, and internet service is available.

XII. Regulatory Reporting

Our firm is subject to regulation by: FINRA, SEC and MSRB. Reports filed with our regulators are filed via electronic means. There are few exceptions and those paper copies are submitted via the U.S. mail. In the event of an SBD, we will contact 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.

XIII. Disclosure of Business Continuity Plan

We disclose in writing a summary of our BCP to customers at account opening, on our web site and via U.S. mail to customers upon their request. Our summary addresses the possibility of a future SBD and how we plan to respond to events of varying scope. In addressing the events of varying scope, our summary (1) provides scenarios of varying severity (e.g., a firm-only business disruption, a disruption to a single building, a disruption to a business district, a city-wide business disruption, and a regional disruption); (2) states whether we plan to continue business during that scenario and, if so, our planned recovery time; and (3) provides general information on our intended response. Our summary discloses the existence of back-up facilities and arrangements

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. In addition, our firm will review this BCP annually.

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.

Timothy S. Halevan
Vice President and Chief Compliance Officer
CUNA Brokerage Services, Inc.