

INTRODUCTION

The purpose of this brochure is to provide you with very important information about our Business Continuity Plan (BCP) so that you are aware of what you need to do in the event that our firm experiences a significant business disruption (SBD).

SBDs vary in severity and scope and may occur on an internal or external level. An internal SBD, such as a fire in our building, would only affect the firm's ability to conduct its normal business. An external SBD, such as an earthquake or regional power outage, would affect the operations of several firms or the financial markets as a whole.

We are required by regulation to disclose how our BCP addresses the possibility of a future SBD and how we plan to respond to events of varying scope.

FIRM POLICY

Our policy is to respond to an SBD in a manner that prioritizes the immediate safety of our employees, preservation of the firm's property, and a quick recovery in order to meet the business needs of our clients. If we determine that the SBD has been catastrophic to the level that we are unable to continue our business, we will ensure that our clients have prompt access to their funds and securities.

ALTERNATE OFFICE LOCATION

In the event that the main office becomes inoperable, the firm will shift its operations to its Disaster Recovery/Business Continuity (DR/BC) Site which is reasonably distant from the main office so as to utilize a separate power grid and telecommunications provider, yet close enough to relocate to quickly if necessary. All of the firm's employees are familiar with the back-up facility and have been provided with driving directions.

BACK-UP BOOKS AND RECORDS

ESL Investment Services, LLC maintains back-ups of client files and other internal books and records at the DR/BC Site. Should an SBD cause our primary records to be inaccessible or destroyed, we have procedures in place to access the back-up files and implement them promptly in order to assure the least possible impact on our clients.

THIRD PARTY BUSINESS RELATIONSHIPS

ESL Investment Services, LLC has business relationships with several entities upon which we rely for varying services. Such entities include other securities firms, banks, telecommunications providers, etc. We have contacted our essential third parties to assess the impact that varying types of SBDs may have on the services we are provided by them. Based on that information we have been able to develop alternate plans to counter any interruptions in these services that we may experience during an SBD.

KEY SYSTEMS

The firm has identified the possibility of a loss of functionality of the systems relied upon for its regular business operations in the event of an SBD. We have enumerated our key systems in our BCP, identified the individual(s) responsible for them, and developed procedures to switch to alternative systems should our primary systems be incapacitated. Based on the trial conversions we have run, we expect minimal down time if a situation arises which forces us to switch to our alternate systems.

POTENTIAL SBD SCENARIOS

In an effort to prepare for the variety of effects that different types of SBDs might have on ESL Investment Services, LLC, we have outlined some SBD scenarios and the corresponding actions that the firm will need to take in order to assure that the SBD has the least possible effect of the firm and our clients. We are aware and we want to make you aware that the exact ramifications of any type of SBD cannot be predicted precisely; however, we will take the necessary steps as described in our BCP to handle any SBD as effectively as is possible.

Illustration #1 - Internal SBD

In the event that a fire consumes ESL Investment Services, LLC's main office destroying all hardware and files, after assuring the safety and well-being of our employees, the following actions will be taken:

Effect of SBD	Action to be taken
Personal computers, servers, and data storage hardware are destroyed	Staff will report to DR/BC Site already equipped with computers that have the necessary software so that business may resume promptly.

Books and records are destroyed or partially destroyed	Assess the feasibility of recovering the damaged books and records. If more efficient, obtain books and records from vendors.
Office is destroyed	Relocate to the DR/BC Site and establish operations. Once business has resumed and is fully operational, start searching for a new main office location.
Telecommunications hardware is destroyed	Staff will report to the DR/BC Site which is equipped with the necessary hardware and telecommunications infrastructure to support the resumption of business operations.

We estimate the resumption of business and communications channels within 48 hours of the onset of this type of SBD.

Illustration #2 - External Regional SBD

In the event that an earthquake, or other natural disaster causes structural damage to our building and the buildings of some of our service providers, including our clearing firm, ESL Investment Services, LLC will make the following assessments and take the following steps:

Effect of SBD	Action to be taken
Building is not structurally sound	Evacuate the office and report to DR/BC Site already equipped with computers that have the necessary software so that business may resume promptly.
Other vendors are experiencing service interruptions	Contact vendors to determine when they anticipate being fully operational and make arrangements for the continuance of service, if possible, in the meantime.

Depending on the impact of this particular type of SBD on our third-party vendors, we estimate a range of 48 to 72 hours for the firm to be able to resume normal business operations.

Illustration #3 - Catastrophic SBD

In the event of an SBD on the level of a terrorist attack, major natural disaster, political crisis, or other event that is of a magnitude great enough to force the close of the markets but does not physically affect ESL Investment Services, LLC, the firm will take the following steps:

Effect of SBD	Action to be taken
The financial markets are closed (other than normal market holidays)	Communicate with clients to determine the effect of the SBD on the transaction in progress.
One of ESL Investment Services, LLC's banks has been significantly affected and cannot continue its business for a prolonged (more than 72 hours) period	Contact the bank to determine how funds may be withdrawn and transfer the funds to another account. If funds are frozen for an uncertain amount of time, assess the firm's financial situation and pursue additional financing if necessary.
The firm's investments in the financial markets are frozen	Perform a risk assessment based on the overall status of the SBD to decide how to best preserve the firm's capital positions under a variety of market re-open scenarios.
There is a possibility of further SBDs resulting from the primary SBD	Test the firm's procedures for handling an SBD that results in the firm's relocation. Assure that back-up systems, hardware, and files are ready to be utilized and can be set up quickly if needed.

It is virtually impossible to predict a recovery time for this category of SBD due to the scope and the myriad of ramifications on the financial services industry as a whole. We are confident that with the procedures we have in place we will be able to ensure the least possible impact on our clients as dictated by the circumstances.

Illustration #4 - Pandemic SBD

The Firm will monitor publications by the World Health Organization (WHO), Centers for Disease Control (CDC) and the local health department for any warnings of a pandemic. The Firm will also implement travel restrictions if recommended by the CDC. In the event of a pandemic, such as the H1N1 influenza pandemic, ESL Investment Services, LLC will take the following steps:

Effect of SBD	Action to be taken
Pandemic outbreak in the vicinity of the Firm	Provide employees with guidelines on how to prevent the spread of disease and how to respond when they or a family member gets sick. Encourage employees to work from home if they think they may have come in contact with an infected person.
One or more employees becomes infected	Circulate a companywide memorandum informing employees of the outbreak in the company and require infected employees to work from home if able. If employees are unable to work from home their duties will be re-assigned to another employee by the employee's supervisor.

FOR ADDITIONAL INFORMATION ABOUT OUR BCP

Should you have any questions in relation to our BCP or this notice, please don't hesitate to contact us at 585.339.4475.

SUMMARY

At ESL Investment Services, LLC, we deeply value the relationships we have built with our clients and we strive to meet their changing needs in any business climate. It is not the intent of this document to assure our clients that there will be no impact on them whatsoever in the event that ESL Investment Services, LLC is affected by an SBD. Rather, we wish to convey the fact that we have developed procedures for varying types of possible SBDs which will allow us to address the effects on our firm on a variety of levels, manage those effects, and utilize our alternate arrangements in a manner that we expect will minimize client impact. In our procedures, we stress the importance of maintaining communications with our clients through as many media as possible so that we may continue to meet their needs and transact business in as smooth a fashion as is possible under whatever circumstances may have arisen.

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BUSINESS CONTINUITY PLAN

CLIENT DISCLOSURE DOCUMENT

Important information about continuity of operations for ESL Investment Services, LLC and emergency contacts.

ESL Investment Services, LLC is a subsidiary of ESL Federal Credit Union. ESL Investment Services, LLC and ESL Federal Credit Union are not insurance companies or insurance underwriters. ESL Investment Services, LLC, member FINRA/SIPC, provides referrals to LPL Financial and its affiliates. ESL Investment Services, LLC and ESL Federal Credit Union are not affiliated with LPL Financial or its affiliates. Securities and advisory services offered through LPL Financial, member FINRA/SIPC, and a Registered Investment Advisor. Insurance products may be offered through either ESL Investment Services, LLC or LPL Financial and/or its licensed affiliates.

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