

LEMLEY, YARLING & CO.
LEMLEY, YARLING MANAGEMENT CO.
BUSINESS CONTINUITY PLAN

I. Emergency Contact Person

Our firm's emergency contact person is: Ralph J. Lemley, Budlemley@aol.com, (608) 624-5777 and (312) 925-5248. This will be updated in the event of a material change.

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 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, pandemic, 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.

In the event of an SBD, such as a pandemic, the firm will maintain the following objectives:

- Minimize the impact of the SBD
- Support those personnel who remain at a firm office location (See Part IV)
- Continue Mission Critical Systems (See Part IX)
- After the SBD, resume normal firm activities.

Due to the small number of firm personnel, located at the geographically distant office locations, business disruptions due to a pandemic are minimized, and standard preventive measures, such as social distancing, are not directly relevant. Other firm resources, such as maintenance of an alternative physical location (See Part V) and reliance on the firm's clearing firm (See Part VI) should further reduce the impact of a pandemic or other SBD.

B. Approval and Execution Authority

Ralph J. Lemley, a registered principal, is responsible for approving the plan and for conducting the required annual review. Ralph J. Lemley 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 additional copy is maintained by our counsel, Lawrence, Kamin, Saunders & Uhlenhop, 300 South Wacker Drive, Suite 500, Chicago, Illinois 60606, (312) 372-1947.

III. Business Description

Lemley Yarling & Co. conducts business primarily in equity securities. 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. 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 delivers funds and securities. Our firm services retail and institutional customers. We do not engage in any private placements.

Lemley Yarling Management Co. is engaged in the investment advisory business. (See Section IXA below).

The clearing firm for Lemley Yarling & Co. is RBC Correspondent Services, 60 South 6th Street, Plaza 18, Minneapolis, MN 55402, (612) 313-1058, www.rbc-cs.com and our contact person at that clearing firm is Nichlaus A. Thacker, RBC Correspondence Services, 60 South 6th Street, Plaza 18, Minneapolis, MN 55402, (612) 313-1058, nick.thacker@rbc.com

IV. Office Locations

Office Location

Our Office Location is at 15624 Lemley Drive, Soldiers Grove, Wisconsin 54655, (608) 624-5777 and (312) 925-5248. Our employees may travel to that office by means of foot or car. We engage in order taking and entry at this location.

V. Alternative Physical Location of Employees

If our primary site is inoperable, we will consider operating from an alternative site. We anticipate that employees may access the Lemley Yarling network from that location.

VI. Customers' Access to Funds and Securities

Lemley Yarling & Co. does not maintain custody of customers' funds or securities, which are maintained at our clearing firm, RBC Correspondent Services. 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 Budlemley@aol.com or nick.thacker@rbc.com. 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 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)

Our firm maintains its primary hard copy books and records and its electronic records at 15624 Lemley Drive, Soldiers Grove, Illinois 54655. Ralph J. Lemley, Principal 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: new account forms.

An additional copy of books and records is maintained by RBC at 60 South 6th St., Plaza 18, Minneapolis, MN 55402.

In the event of an internal or external SBD, we will attempt to continue operations from an alternate location. For the loss of electronic records, we will either physically recover the storage media or, if our primary site is inoperable, continue operations from an alternate location.

In the event of an SBD, we will move our staff from the affected office to the 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 and telephone voice mail. In addition, we will retrieve our key activity records as described in 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. 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.

IX. Mission Critical Systems

Our firm’s “mission critical systems” are those that ensure prompt and accurate processing of securities transactions, including order taking, order 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. Regarding, order taking and entry, See Section IXA.

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 provide 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.

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 4 hours; and resumption time of 48 hours.

A. Our Firm’s Mission Critical Systems

1. Order Taking

Lemley Yarling & Co. receives orders only from Lemley Yarling Management Co., and its President, Ralph J. Lemley. All orders are discretionary orders where Lemley Yarling Management Co. is vested with discretion by customers. Customers are not allowed to transmit orders directly to Lemley Yarling & Co.

2. Order Entry

Currently, Lemley Yarling & Co. enters orders by recording them on paper and sending them to our clearing firm telephonically. Orders are transmitted by telephone to RBC. Our contact for executing orders is Michael Fine (866) 834-5057.

Our client service contact at RBC is Nichlaus A. Thacker (612) 313-1058.

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 fax or e-mail. 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.

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.

X. 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's 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.

C. Regulators

Lemley Yarling & Co. currently is a member of 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.

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.

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 accounts is: Lemley Yarling Management Co. maintains accounts at Peoples State Bank 301 E. Blackhawk Avenue, Prairie Du Chien, Wisconsin 53821, (608) 326-3500, (312) 925-5248.

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.

XII. Regulatory Reporting

Lemley Yarling & Co. and Lemley Yarling Management Co. are subject to regulation by the Securities and Exchange Commission and the Wisconsin Department of Financial Institutions, Securities Division. Lemley Yarling & Co. also is designated to 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.

XIII. Disclosure of Business Continuity Plan

Lemley Yarling & Co. provides in writing a BCP disclosure statement to customers at account opening. We also post the disclosure statement on our Web site and mail it to customers upon request. Our disclosure statement is attached.

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, on or about December 1, to modify it for any changes in our operations, structure, business, or location or those of our clearing firm.

XV. Succession Plan

Lemley Yarling & Co. and Lemley Yarling Management have made arrangements with Brian Siegel at Wintrust Wealth Management, that, in the event Ralph J. Lemley becomes incapacitated, customers will be offered the option of transferring their accounts to Wintrust. Mr. Siegel is a Wintrust Vice President and has 25 years of industry experience. Mr. Siegel is located at 231 S. LaSalle Street, 13th Floor, Chicago, IL 60604, (312) 431-6573.

XVI. 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: _____
Ralph J. Lemley

Title: President

Date: _____