BUSINESS CONTINGENCY PLANNING STATEMENT

AFS, LLC recognizes how heavily our customers rely on our systems and services. AFS, LLC'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. We will assure customers prompt access to their funds and securities.

While AFS, LLC encourages our customers to work closely with their agent; circumstances may arise that prohibit contact with an agent. In these instances, AFS, LLC will be available to assist in servicing the customer's needs.

AFS, LLC's plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect only the firm's ability to communicate and do business, such as a fire in the building. External SBDs prevent the operation of the securities markets or a number of firms, such as terrorist attack, a city flood, or a wide-scale, regional disruption. The firm's response to an external SBD relies more heavily on other organizations and systems, especially on the capabilities of our clearing firm.

Consistent with its business continuity plan, AFS, LLC maintains back-up facilities in geographic locations separate from its primary facilities. Using these back-up facilities, the firm intends to continue its business in the event of a SBD. Nevertheless, there are some disruptions that may render the firm unable to continue business. Under such circumstances, AFS, LLC will ensure that customers will be able to access their funds and securities within a reasonable time.

Significant Business Disruption Events

The following describes specific disruption events and AFS, LLC's intended corresponding business continuation responses to those events. Customers, however, should note that these responses are subject to modification and, depending on the severity of a specific event, AFS, LLC cannot guarantee that it will follow the stated course of action. Customers may request that the firm send them, by mail, a copy of the current disclosure statement.

A Disruption to a Single Building

This type of disruption may be caused by physical damage, technology problems, or an inability to have personnel arrive at the building. Because some buildings are more critical to operations, AFS, LLC's ability to resume business following a disruption to a specific building depends on the building affected. If the location is unusable, AFS, LLC has duplicate systems that will be run from a separate building. AFS, LLC expects only minimal delays from the transfer of operations. If there is a building disruption to the Broker-Dealer, AFS, LLC expects that operations could be disrupted for up to two (2) hours.

A Firm-Only Business Disruption

In the event that there is a significant business disruption to the firm's internal primary systems, AFS, LLC will transfer operations to its backup facilities. In this process, Customers may experience a minor delay in reaching AFS, LLC due to increased telephone calls, technology delays, or other minor difficulties arising from the transfer of operations. AFS, LLC expects that any delay will be less than one (1) hour. Nevertheless, the unlikely failure of the telephone system could result in a delay of up to four (4) hours.

A Business-District, Citywide, or Regional Disruption

In the event that there is a significant business disruption that affects the business district, city, or region where any of the firm's primary systems are located, AFS, LLC will transfer its operations to back-up facilities. In this process, Customers may experience a minor delay in reaching the firm due to increased telephone calls, technology delays, or other minor difficulties arising from the transfer of operations. AFS, LLC expects that any delay will be less than two (2) hours.

FREQUENTLY ASKED QUESTIONS

Q: How do I contact Allstate Financial Services, LLC if there is an outage?

A: To receive up-to-date information during a Significant Business Disruption, Customers should contact their Personal Financial Representative, or in the event that their Personal Financial Representative cannot be reached, they may call the firm's emergency telephone number at 1-877-232-2142. Additional information may also be obtained at www.allstate.com.

Q: Will our customers have access to their funds?

A: A site outage to AFS, LLC would not impair the ability to have access to available funds. Custody of customer funds and securities is maintained by the firm's clearing firm, National Financial Services, LLC (NFS). Customer ability to trade to raise available funds could be impacted by market events outside of AFS, LLC's control, such as when the markets were closed the week of the 9/11 disaster.

We hope this Contingency Planning Statement helps to address any questions you may have about AFS, LLC's preparedness in the event of an outage or other disaster. We are committed to safeguarding our customers' assets and business. While some disasters may be unavoidable, a rigorous contingency plan can often reduce the financial risk. To that end, we recognize that contingency planning demands not only consistency, but also a continued willingness to listen and improve. If you are already an Allstate Financial Services, LLC customer and have questions, please contact your Personal Financial Representative. If you are not a customer, please contact our Broker-Dealer Support-Trades department at 1-877-232-2142.