

AQS Asset Management, LLC

Business Continuity Plan

1. Data back-up and recovery (hard copy and electronic);

Our firm maintains its primary hard copy books and records and its electronic records at its office. Byron White, Managing Director, (512) 314-0720 is responsible for the maintenance of these books and records. Our firm maintains the following document types: Investment Management Agreement, Investment Policy

Our firm maintains its back up hard copy financial books and records on computer disk at 10512 Glass Mountain Trail, Austin, TX 78750. We also maintain books and records on 3rd party electronic storage at a remote location.

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. If our primary site is inoperable, we will continue operations from our back-up site or an alternate location. For the loss of electronic records, we will either physically recover the storage media or electronically recover data from our back-up site, or, if our primary site is inoperable, continue operations from our back-up site or an alternate location.

2. Mission critical systems

AQS' clients are exclusively insurers which maintain custodial accounts that safekeep and provide all market valuation and portfolio activity reporting. In the event of a disruption, clients would directly query custodians for information about positions and pending corporate actions. Pending transactions can be verified directly with the client by phone, cell or email as below.

3. Financial and operational assessments;

Financial and operational assessments provided by AQS are limited to periodic (not less than quarterly) reports to client investment, executive committee or board of directors. These assessments are provided by email correspondence and maintained in the AQS archive since inception of the relationship

In the event of a Significant Business Disruption (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:

Website: www.aqsllc.com

Phones: 512.970.0499 / 512.294.5546

Email: larry.white@aqslc.com; byron.white@aqslc.com.

4. Alternate communications between the member and its customers;

Clients are provided with alternate phone (typically cell) numbers for the managing directors and the relationship manager as well as contact information provided in forms ADV I and II. Email is served remote to the Austin office and can be accessed via internet in the event the headquarters office is rendered useless. AQS will post current contact on its website: www.aqsllc.com.

5. Alternate communications between the member and its employees;

Alternate communications channels include email, cell, landline, text and in-person.

6. Alternate physical location of employees;

Depending on the nature of the disruption, may include work from home solutions and rerouting telecommunications to alternate facilities.

7. Critical business constituent, bank, and counter-party impact;

Business constituents

We will contact 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 determine 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.

Banks

We will contact 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 account is:

Bank of America
AQS Asset Management, LLC
www.bankofamerica.com
Austin, TX 78731
512/323-3800

Counter-Parties

We will contact our critical counter-parties, such as broker-dealers, clients or associated professionals, to determine if we will be able to carry out transactions on behalf of clients with them in light of the internal or external SBD. Where the transactions cannot be completed, we will work with our client or contact those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

8. Regulatory reporting

Our firm is subject to regulation by the SEC, FINRA and states in which we do business. 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.

9. Communications with regulators

As required via one of the above previously detailed methods

10. How the member will assure customers' prompt access to their funds and securities in the event that the member determines that it is unable to continue its business.

AQS does not safekeep funds or securities. Client access will be dependent on the individual custodial arrangement.

11. Emergency Contact Persons

Our firm's emergency contact persons at our main office are:

Byron L. White, (512) 294-5546, byron.white@aqslc.com

J. Larry White (512) 970-0499, larry.white@aqslc.com

These names will be updated in the event of a material change.

12. 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 resume normal operations. In the event that we determine we are unable to continue our business, we will assure customers prompt access to files necessary to transition to alternate management.

A. Significant Business Disruptions (SBDs)

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 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 related custodial and client firms.

B. Approval and Execution Authority

Byron White, Managing Director or Larry White, Managing Director is responsible for approving the plan and for conducting the required annual review. Either Byron White or Larry White 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 external file storage at

Z:\AQS Asset Management\RIA\Compliance\.

Also, a copy is included in our Written Supervisory Procedures.