



GARDNYR MICHAEL CAPITAL, INC.

INVESTMENT BANKING INVESTMENT MANAGEMENT FINANCIAL ADVISORS

I. Emergency Contact Persons

Pfilip G. Hunt (Primary)
President
11 North Water St.
Suite # 15265
Mobile, Al 36602
Office: (251) 342-6384
Cell: (251) 591-0905
Email: phunt@gmcbonds.com

Nicholas Bryant
Assistant Vice President
11 North Water St.
Suite# 15265
Mobile, Al 36602
Office: (251) 342-6384
Cell: (251) 214-3212
Email: nbryant@gmcbonds.com

Rule: FINRA Rule 4370(f)

II. Firm Policy

Gardnyr Michael Capital (GMC) takes the threat of a significant business disruption very seriously. This notice is being provided to you so that, in the event an internal or external disruption affects our firm, you will know whom to contact. Please note that these procedures apply only to an emergency situation as described below.

A. Significant Business Disruptions (SBDs)

GMC anticipates two kinds of business disruptions: internal and external. Internal disruptions affect only our firm's ability to communicate and do business, such as a fire in our building. External disruptions 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 business disruption relies more heavily on other organizations and systems, especially on the capabilities of our clearing firm, Sterne Agee and Leach.





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B. Approval and Execution Authority

Pfilip Hunt, President, a registered principal, is responsible for approving the plan and for conducting the required annual review. Pfilip Hunt, President has the authority to execute the 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 S:\ in the Gardnry Michael Capital Folder > Compliance.

Rule: FINRA Rule 4370(b), (d), and (e).

III. Business Description

Our Firm conducts business in fixed income securities. Our firm is an introducing firm and does not perform any type of clearing function for itself or others. 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 delivery funds and securities. Our firm services retail, institutional customers, and private placement underwritings.

Our clearing firm is:

Sterne Agee (Primary Contact)

Vutha Bou

800 Shades Creek Pkwy

Ste. 700

Birmingham, AL 35209

Office: (205) 414-7290

Fax: (205) 868-6769

Email: ybou@steneagee.com

Website: www.sterneagee.com

Sterne Agee (Secondary Contact)

W. Dennis Ferguson, President

Sterne Agee Clearing

1489 W. Palmetto Park Road, Suite 355

Office: (800) 264-4863 - Boca Raton

Email: dferguson@sterneagee.com

Website: www.sterneagee.com





IV. Office Locations

A. Office Location #1

Our Location #1 office is located at 2281 Lee Rd, Ste# 105, Winter Park, FL 32789. Its main telephone number is (407) 629-4600. Our employees may travel to that office by means of car or bus. We engage in fixed income secondary trading, underwriting, and financial advisory at this location.

B. Office Location #2

Our Location #2 office is located at 11 North Water St, Ste#15265, Mobile, AL 36602. Its main telephone number is (251) 342-6384. Our employees may travel to that office by means of car or bus. We engage in Underwritings at this location.

C. Office Location #3

Our Location #3 office is located at 2100 Southbridge Parkway, Ste # 650, Birmingham, AL 35209. Its main telephone number is (205) 790-2029. Our employees may travel to that office by means of car. This location is non-registered location that serves solely working office for Walter Lewis. All records concerning business conducted by Walter Lewis are kept in office Location #2.

D. Office Location #4

Our Location #4 office is located at 5145 Sleepy Hollow Dr., Baton Rouge, LA 70817. Its main telephone number is (225) 572-5758. Our employees may travel to that location by means of car. This location is non-registered location that serves solely working office for Thomas Burbank. All records concerning business conducted by Thomas Burbank are kept in office Location #2.

E. Office Location #5

Our Location #5 office is located at 1224 S. Central Ave, Flagler Beach, Fl 32136. Its main telephone number is (386) 439-1663. Our employees may travel to that location by means of car. This location is non-registered location that serves solely working office for Will Weathers. All records concerning business conducted by Will Weathers are kept in office Location #2.

V. Alternative Physical Location of Employees

In the event of an SBD, we will move our staff from affected offices to the closest of our unaffected office locations. If none of our other office locations is available to receive those staff, our staff will connect remotely through laptops provided by the firm to our central server to access any customer documentation.

Rule: FINRA Rule 4370(c)(6)





VI. Customer's Access to Funds and Securities

There are various ways through which you, the client, may communicate with us, your brokerage firm. You may contact us through either of our retail locations via US mail or in person at the addresses 2281 Lee Road, Suite 105, Winter Park, FL 32789; and 11 North Water Street Suite#15265, Mobile, AL 36602. Conversely, you may call our Florida office at the telephone number (407) 629-4600 or you may reach our Alabama location at the telephone number (251) 342-6384. You may also call us toll-free using (800) 231-0082. You may contact us by facsimile using (407) 629-2101 or (251) 344-7526. Last, you may contact us via the Internet, at our Web address: GardnryMichaelCapital.com.

Should we experience a significant business disruption at either of our locations, we ask that you contact us using any of the available means noted above. If our Internet service is available, we will post on our Web site specific instructions on how to contact us and the method by which you may place orders/requests. If both of our locations have become inoperable and you have exhausted all of the methods suggested in paragraph 2, please contact our clearing firm at the telephone numbers (800) 778-6257, (888) 678-3763 or (800) 264-4863. Alternatively, you may check our clearing firm's Web site at www.salclearing.com.

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

GMC maintains its primary hard copy books and records and its electronic records at 11 North Water St. Ste# 15265 Mobile, Al 36602. Nicholas Bryant, at the telephone number (251) 342-6384 is responsible for the maintenance of these books and records. Our Florida location maintains all forms required for opening new accounts (New Account Forms, Customer Agreements, Trust documents, etc.) which are also provided to the clearing firm. All documents provided to the clearing firm are automatically converted to an electronic format, which is permanently stored and safeguarded by the clearing firm.

GMC maintains back-up hard copies of some of its customer books and records and all of its financial records its company server and at its physical location. These records are in paper and electronic format. Mary Snowden, at the telephone number (251) 342-6384 is responsible for the maintenance of these back-up books and records. Electronic copies of GMC's essential financial records are also kept with backed up daily to 3 off-site servers and are maintained by Infinity Global, Inc.

The main Florida location backs up its electronic records monthly by copying all hard drive files to a Compact Disk and keeps a copy in a fire resistant container at the firm's off-site storage location (Personal Mini Storage, 4252 N. Orange Blossom Trail, Orlando, FL 32804). GMC also stores hard-copy documents at this 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 servers. If our primary server is inoperable, we will continue operations from our back-up servers at 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 media. Last, essential customer data may be retrieved from the clearing firm if other means are unavailable.

Rules: FINRA Rules 4370 (c)(1)





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 website, telephone voice mail, and secure email. In addition we will retrieve our key activity records as described in the section above, Data back-up and Recovery (Hard Copy and Electronic).

Rules: FINRA Rules 4370 (c)(3),(c)(4),(c)(5),(c)(7),(c)(9&(g)(2)).

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 financings from our bank or other credit sources to fulfill our obligations to our customers and clients.

Rules: FINRA Rules 437(c)(3),(c)(8) & (g)(2).

IX. Mission Critical Systems

Our firm's "mission critical systems" are those that ensure prompt and accurate processing of securities transactions, including order taking, 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.

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, 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 plan¹. 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. 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 every weekday night at a remote site and such volumes are retained off-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 it has confirmed that it tests its back-up arrangements frequently and on a routine basis.

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 maintains that for the most part [the clearing firm] provides "alternatives that will deliver an uninterrupted or near uninterrupted stream of data and services...At all times should [GMC] experience an internal disruption, clients may access their accounts, withdraw funds and enter orders." The clearing firm further maintains that due to the redundancy in connectivity to all exchanges, order entry will remain uninterrupted. However, reports (of execution) may be delayed. Any disruption should only equal the time it takes to reconnect to an alternate location via back up data lines. Lastly, the clearing firm maintains that "it is unlikely that [the clearing firm] will suffer a disaster of such magnitude that it will mandate the discontinuance of operations."

A. Our Firm's Mission Critical Systems

1. Order Taking

Currently, GMC receives orders from customers via telephone and facsimile or in person during visits by the customer. During an SBD, either internal or external, we will continue to take orders through any of these methods that are available and reliable, and in addition, as communications permit, we will inform our customers when communications become available to tell them what alternatives they have to send their orders to us. Customers will be informed of alternatives in a written statement provided upon account opening and by means of our Website should such an SBD occur. If necessary, we will advise our customers to place orders directly with our clearing firm at 800-778-6257.





2. Order Entry

Currently, our firm enters orders by recording them on paper and sending them to our clearing firm electronically or telephonically. Alternatively, we send customer orders via facsimile or email to be entered by the clearing firm directly.

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 telephone, facsimile, and email. 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. In addition, during an internal SBD, we may need to refer our customers to deal directly with our clearing firm for order entry.

B. Mission Critical Systems Provided by Our Clearing Firm

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. Additionally, the clearing firm keeps, in electronic format, a copy of all signed customer account documents.

Rule: FINRA rules 3510 (c)(2) & (g)(1)

X. Alternate Communications Between the Firm and Customers, Employees, and

Regulators

We now communicate with our customers using the telephone, e-mail, our Website, facsimile, U.S. mail, and during 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.

Rule: FINRA Rule 3510(c)(4).

A. Customers

We now communicate with our customers using telephone, email, fax, US mail and in-person visits at our firm. In the event of an SBD, we will assess which 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 email but the internet is unavailable, we will call them on the telephone and follow up where a record is needed with a paper copy in the U.S. mail.

Rule: FINRA Rule 4370(c)(4).





B. Employees

We now communicate with our employees using land-line telephones, cellular telephones, facsimile, U.S. mail, 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. 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 or cellular telephone and office numbers. We have identified persons, noted below, who live near each other and may reach each other quickest:

The person to invoke use of the call tree is: Pfilip Hunt

Caller	Call Recipients
<u>Pfilip Hunt-</u> office (251) 342-6384 cell (251)591-0905	<u>Nicholas Bryant-</u> office (251) 445-1572; cell (251) 214-3212 <u>Adrianna Ruwell-</u> office (407) 629-4600; cell (321) 356-3170
<u>Nicholas Bryant</u> office (251) 445-1572 cell (251)510-3635	<u>Larry Jackson-</u> office (251)342-6384 cell (251) 402-5883 <u>Walter Lewis-</u> office (205)414-7511 cell (205)790-2029 <u>Will Ruzic –</u> office (251) 867-4259 cell (251) 363-2961 <u>David Langham –</u> office (251) 445-1573 cell (251) 605-3732 <u>Thomas Burbank –</u> cell (225) 572-5758
<u>Adrianna Ruwell</u> office (407) 629-4600 cell (321) 356-3170	<u>Tony Grey-</u> office (407) 629-4600 cell (407) 421-5021 <u>Jim Pietkiewicz-</u> office (407) 629-4600 cell (407) 312-0644 <u>Mike Stewart-</u> office (407) 629-4600 cell (407) 257-5926 <u>Brendan O’Connor –</u> office (201) 444-2151 Cell (917) 880-5991 <u>Scott Semel –</u> office (203) 340-9801 cell (914) 424-2537 <u>James Fischer –</u> office (727) 637-7155
<u>Adrianna Ruwell-</u> office (407) 629-4600; cell (321) 356-3170	<u>Will and Mary Weathers-</u> office (386) 439-1663; cell (386) 793-5392

Rule: FINRA Rule 3510(c)(5).





C. Regulators

We are currently subject to regulation by the FINRA, SEC the MSRB and various state agencies. We communicate with our regulators using the telephone, e-mail, facsimile, 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.

Rule: FINRA Rule 4370(c)(9).

IX.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 an 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 affecting them or our firm. Our major suppliers are:

<u>NAME</u>	<u>CONTACT INFO</u>
Harbor Communication (Internet connection and local telephone service)	(251) 662-1532
Centurylink(telephones)	(877) 436-2277
Orlantech (computer technical support)	(407) 228-7290
Infinity Global (computer Technical Support)	(251) 661-2118
SMARSH (email capturing)	(866) 645-4309
Verizon Wireless (Cellular Service)	(800) 922-0204

Rules: FINRA Rule 3510(c)(7).

B. Banks

We have contacted our banks and lenders to determine if they can continue to provide the financing that we would need in light of an internal or external SBD. The bank maintaining our operating account is Seacoast National Bank. Our contact person at Seacoast is Debbie Snipes. Debbie can be reached by telephone at the number (407) 647-7100 or at the address 65 North Orange Ave. Orlando, FL 32801. We may also be able to obtain alternative financing through Sterne Agee should the need ever arise. The bank maintaining our Proprietary Account of Introducing Brokers/Dealers (PAIB account) is AmSouth Bank (FBO Sterne Agee and Leach, FFC Gardnyr Michael Capital, Inc) located at 1900 5th Avenue North Birmingham, Alabama 35203

Rules: FINRA Rule 4370(c)(7).





C. Counter-Parties

We have contacted our critical counter-parties, such as other broker-dealers or institutional customers, to determine if we would be able to carry out our transactions with them in light of a potential internal or external SBD. In the future, where 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.

Rules: FINRA Rules 4370c)(7).

XII. Regulatory Reporting

Our firm is subject to regulation by the SEC, NASD, MSRB and the states of Florida, Alabama, Connecticut, Louisiana and New Jersey. We now file reports with our regulators using paper copies in the U.S. mail, and electronically using facsimile, 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. For example, we may contact the SEC by US mail at the address 801 Brickell Avenue, Suite 1800, Miami, FL 33131. The FINRA office may be contacted at the address (District 7) Crystal Corporate Center 2500 N. Military Trail, Suite 302 Boca Raton, FL 33431

Rule: FINRA Rule 4370(c)(8).

XIII. Disclosure of Business Continuity Plan

We disclose in writing a summary of our BCP to customers at account opening. We also post the summary on our Website and mail it to customers upon 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 specific 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 arrangements².

Rule: FINRA Rule 4370(e).

⁶ See Appendix





GARDNYR MICHAEL CAPITAL, INC.

INVESTMENT BANKING INVESTMENT MANAGEMENT FINANCIAL ADVISORS

XIV. Updates and Annual Review

Our firm will update this plan whenever we have a material change to our operations, structure, business location or to those of our clearing firm. In addition, our firm will review this BCP annually to modify it for any changes such those as previously stated.

Rule: FINRA Rule 4370(b).

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.

Rule: FINRA Rule 4370(d).

Signed: _____

Title: Pfilip G. Hunt Jr

Date: _____

