

THE CHAMPION GROUP, INC.

BUSINESS CONTINUITY PLAN (BCP)

I. EMERGENCY CONTACT PERSONS

The Champion Group, Inc. has two emergency contact persons. They are Harvey Gartley, Principal, 210-490-1482, email hgartley@championgroup.com and C. David Gartley, President 210-490-1482, email dgartley@championgroup.com. These names will be updated in the event of material change and our executive representative C. David Gartley will review them within 17 business days of the end of each quarter.

II. FIRM POLICY

Our firm's policy is to respond to 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.

- 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.
- b. Approval and Execution Authority – C. David Gartley, President, a registered principal, is responsible for approving the plan and for conducting the required annual review. C. David Gartley, President 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. We have given the NASD District Office a copy of our plan.

III. BUSINESS DESCRIPTION

Our firm does not hold customer funds or securities.

OFFICE LOCATIONS

- a. Office Location #1 – Our Location #1 Office is located at 401 E. Sonterra Blvd, Suite #215, San Antonio, Texas 78258. Its main telephone number is 210-490-1482. Our employees may travel to that office by means of foot, car, or bus.

V. ALTERNATIVE PHYSICAL LOCATION(S) OF EMPLOYEES

In the event of an SBD, we will move our staff from affected offices to 22511 Old Fossil Road, San Antonio, Texas 78261. Its main telephone is 210-490-2266.

VI. DATA BACK-UP AND RECOVERY (HARD COPY AND ELECTRONIC)

Our firm maintains its primary hard copy books and records and its electronic records at 401 E. Sonterra Blvd, Suite 215, San Antonio, Texas. C. David Gartley, President, is responsible for the maintenance of these books and records.

VIII. FINANCIAL AND OPERATIONAL ASSESSMENTS

- a. Operational Risk – In the event of a SBD, we will immediately identify what means will permit us to communicate with our customers, employees, critical business constituents, critical banks, critical counterparties, 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: www.championgroup.com, telephone voice mail (210) 490-1482 or 800-749-2799 and a secure email account which will be listed on our web-site in the event of such SBD. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic)

X. ALTERNATE COMMUNICATIONS BETWEEN THE FIRM AND CUSTOMERS, EMPLOYEES, AND REGULATORS.

- a. Customers – If customers are unable to access us via telephone, we will post alternate instructions on our website at www.championgroup.com.
- b. Employees – We now communicate with our employees using the telephone, e-mail and in person. In the event of an SBD, we will access 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 during a SBD. The call tree includes all staff home and office phone numbers. We have identified the following order the call tree will operate.

<u>Caller</u>	<u>Call Recipients</u>
Harvey Gartley or David Gartley	Tom Stallard, Harvey Gartley
Tom Stallard	Sales Staff
David Gartley	Jessica White
Jessica White	Administrative Staff

XI. CRITICAL BUSINESS CONSTITUENTS, BANKS , AND COUNTER-PARTIES

- a. Business Constituents – We have contacted our critical business constituents (businesses 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 account is: Broadway Bank 18700 Stone Oak Parkway, San Antonio, Tx 78258, 210-283-6641, Jill De La Garza, Vice President.

XII. REGULATORY REPORTING

We now file reports with our regulators using paper copies in the U.S. mail, and electronically using fax, e-mail and the internet. All focus reports are filed from our third party accounting firm, Glenn Millar, CPA, 16150 N. Arrowhead Fountains Ctr. Dr. #283, Peoria, AZ 85382, 623-878-4111. In the event of an SBD, we will check with the SEC, NASD, and other regulators to determine which means of filing are still available to us, and pursue 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.

XII. DISCLOSURE OF BUSINESS CONTINUITY PLAN

We will disclose in writing a summary of our BCP upon request to our customers at account opening. Our disclosure statement is attached.

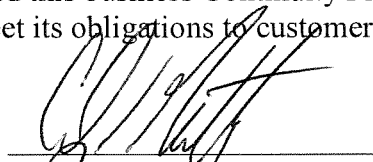
XIV. UPDATES AND ANNUAL REVIEW

Our firm will update this plan whenever we have a material change to our operation, structure, or business. In addition, our firm will review this BCP annually to modify it for any changes in our operations, structure or C. David Gartley will carry out all annual reviews for the BCP.

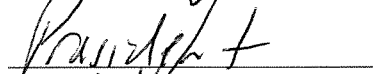
XV. SENIOR MANAGER APPROVAL

I have approved this business Continuity Plan as reasonable designed to enable our firm to meet its obligations to customers in the event of an SBD.

Signed:



Title:



Date:

