

**DAIWA CAPITAL MARKETS AMERICA INC.**  
**Summary of Business Continuity Plan**

DCMA has implemented a Business Continuity Plan (BCP) to lessen the effects of a business disruption. The BCP includes steps to protect information, processes and customer data, and to allow the continued operation of critical functions. Our BCP also includes technical, organizational, facilities, regulatory and operational plans to assist DCMA to continue operating under different disruption scenarios.

If a business disruption prevents us from operating out of our primary office location, whether due to a disruption affecting only DCMA's office, the building our office is located in, or a disruption affecting all of Manhattan, DCMA would execute its BCP. Critical employees would re-locate to our Disaster Recovery Offices, or would work remotely via the firm's approved remote access methods. We expect to be able to operate our critical systems and processes from these locations. Depending on the type of event and its severity, operations will resume as quickly as possible, assuming all mission critical vendors and partners are able to recover in a similar time.

If a large-scale disruption affects the entire northeast region, DCMA's Business Continuity plan includes working with our San Francisco branch office and our international affiliates in Japan and London to fulfill our existing customer obligations and regulatory requirements.

DCMA performs testing of different components of its BCP, at a minimum of twice per to year to assess the degree to which our critical systems and processes are recoverable from our Disaster Recovery Offices. Testing of DCMA's Primary Dealer Operations occurs quarterly pursuant to the Federal Reserve Bank of New York's Geographic Dispersion requirements.

Our BCP is subject to periodic modification. An updated summary of our BCP is on our website at [www.us.daiwacm.com](http://www.us.daiwacm.com) as promptly as possible after any significant modification. A copy of this summary of our BCP is also available upon request by writing to Daiwa Capital Markets America Inc., 1251 Avenue of the Americas, 49th Floor, New York, New York 10020.