BUSINESS CONTINUITY STATEMENT
Applied Systems Canada, ULC

Applied Systems Canada believes that it has taken the reasonable steps to protect our business as well as our customers' ability to continue to gain access to support and other services in the event a major disaster affects us. Applied Systems Canada reserves the right to change its procedures and technology if in Applied Systems Canada's reasonable business judgment it will provide: increased security, increased usability, increased redundancy, and/or cost reductions without significant reductions in security and/or redundancy.

Applied Systems Canada Facilities

Applied Systems Canada has taken precautions to minimize any disruption in infrastructure services through the protection of its affiliate, Applied Systems, Inc., a US company.. Applied Systems, Inc. utilizes multiple long distance phone carriers for diversity against telephone company network outages, as well as receiving power from two different power grids with automatic transfer from source to source. In addition, their corporate office, which provides corporate applications to Applied Systems Canada, has the ability to continue to provide data and internal telephone services in the event of short/long term power outages through combination use of UPS and generator power.

For Customer Support services, Applied Systems Canada provides support assistance from offices in Canada, through teleworkers utilizing Voice over IP (VoIP) technology, and through our agreement with Applied Systems, Inc. Additionally, VoIP phones have been issued to additional staff to assist with remote support capabilities when office access has been limited for any reason.

Physical Security

Applied Systems Canada takes employee and guest security seriously. We strive to maintain a safe and productive working environment for all of our employees. As part of this goal, all employees are required to wear a corporate photo ID badge at all times while on Applied Systems Canada premises. All guests entering an Applied Systems Canada office are required to sign in and are also required to wear a Guest badge for easy recognition. All doors that are not attended are kept locked with access granted by key or electronic card readers. Although we have an "Open Door" policy, visitors are accompanied by an Applied Systems Canada employee and are not admitted into "sensitive" areas such as server rooms, development areas or other areas in which confidential or sensitive materials are kept or stored, unless they have proper clearance and have signed non-disclosure agreements if needed. Furthermore, electronic surveillance is utilized in areas where additional security is deemed necessary.

Network Security and Data Protection

Applied Systems Canada, through its affiliate Applied Systems, Inc., has staged business continuity servers for our core business systems in data centre(s) located near Chicago, Illinois and/or in the Dallas, Texas metropolitan area. These hosts are preconfigured and on-hand in the data centre to allow the data centre to serve as the new corporate networking core, with connections to each of our branch offices. The internal SLA of this arrangement is to have all core services available to our employees within 24 hours.

Applied Systems Canada utilizes a series of data and network security measures including: firewalls (both hardware and software based); reduced access by employees to "streaming" technologies; constantly updated, Network Administration controlled, anti-virus software, source code tracking and control software, and other measures to protect against both internal and external computer based threats to Applied Systems Canada network and data.

Pandemic Flu Preparedness

Applied Systems Canada has identified the risk of a pandemic flu outbreak as a concern of our business availability. With a geographically diverse workforce and with its relationship with Applied Systems, Inc., Applied Systems Canada has the ability to utilize remote access technologies to continue operations for core business services without placing our employees in increased risk of infection by requiring office contact. During such event, Applied Systems Canada is prepared to continue Sales and Support services for our customers, as well as full operation of the AppliedOnline environment.

Customer Business Continuity Preparedness

Applied Systems Canada recognizes that many of our customers are also very concerned about their ability to service their customers in the event that a catastrophe strikes the agency. This area is broken down into two sections: typical agencies whom operate Local Area Network implementations of The Agency Manager® and TAMOnline™ for agencies who utilize a Software as a Service (SaaS) version of The Agency Manager products.

Local Area Network or Wide Area Network Implementations

LAN implementations of TAM require the individual agency to create and maintain its own Business Continuity readiness plan. Applied Systems Canada Support and Consulting Services can assist our customers in creating and implementing a Business Continuity plan. Applied Systems has always provided priority service to any customer suffering from a loss, assisting as quickly as possible with replacement equipment or other services, as necessary. In addition, our Disaster Recovery Services offering allows our customers to have a pre-arranged recovery solution utilizing one of our data centres. In the event of an incident at the agency office, recovery processes can be initiated utilizing the on-line deployment services of TAMOnline to allow the agency to operate remotely permanently or until its LAN-based systems is restored.

TAMOnline or other Applied Systems Canada Application Service Provider Implementations

AppliedOnline customers' data is protected through a combination of daily backups, off-site tape storage, and redundancies within the Storage Area Network. This combination is designed to ensure that our customers' data on AppliedOnline is protected in the unlikely event of a major disaster. The data centres themselves are designed with protection as a core component. Physical security, electronic security, redundant power feeds, UPS's, generators, advanced fire detection/suppression systems, and a hardened structure are all encompassed into the Data Centre. Having the data off-site on tape, as well as replicated within the Storage Area network allows for the AppliedOnline environment to be replaced in an alternate location in a timely manner.

In addition, we may offer other premium services where if a data centre is lost, the agency will be able to utilize its software at our other data centre(s) within 24 hours. Please contact your sales representative for more information on what programs are currently being offered.

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