

Disclosure Statement

Business Continuity Plan

Jaypee International, Inc has developed a Business Continuity Plan (BCP) concerning how we would respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind we are providing you with this information on our business continuity plan.

Contacting us: If after a significant business disruption you cannot contact us as you usually do at 312- 254-5044 or info@jaypeeusa.com, you should call our alternative numbers Sorabh Arora , 917 478 9098, Varun Choudhary, 908-217-4314 and Amit Bansal, 405-269-1322 or go to our website at www.jaypeeusa.com. If you cannot access us through either one of those means you should contact our clearing firm BNP Paribas Securities Corp at 212 471-8114 or at <http://usa.bnpparibas.com> for instructions how it may provide prompt access to funds and securities, enter orders and process other trade-related cash, and securities transfer transactions.

Our Business Continuity Plan (BCP): We plan to quickly recover and resume business operations after significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm's book and records, and allowing our customer to transact business, In short, our Business Continuity Plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruptions.

Our Business Continuity Plan addresses: data back-up and recovery; all mission critical systems, financial and operational assessment; alternative communications with customers, employees, and regulators; alternate physical location of employees; bank impact, regulatory reporting; and assuming our customers prompt access to their funds and securities if we are unable to continue our business.

Varying Disruptions: Significant business disruptions can vary in their scope, such as only our firm, a single building housing of our firm, the business district where our firm is located, the city where we are located and the whole region. In disruptions to only our firm or building housing our firm, we will transfer our operations to a local site when needed and expect to recover and would resume business within 1 business day. In either situation we plan to continue in business, transfer operations, to our clearing firm if necessary, and notify you through our website: www.jaypeeusa.com or our customer disruption is so severe that it prevent us from remaining in business, we would assure our customers prompt access to their funds and securities.

For more information: If you have questions about our business continuity planning, you can contact Varun Choudhary at 312 254 5044 or varunc@jaypeeusa.com and Amit Bansal at 312 655 1049 or abansal@jaypeeusa.com.