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# Financial Resources Group Investment Services Business Continuity Plan (BCP) Manual

Updated: October 2021

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## **Introduction**

This manual documents the Business Continuity Plan (“BCP”) for Financial Resources Group Investment Services, (“FRGIS” or the “Firm”). FRGIS is associated with LPL Financial (“LPL”) through an operating agreement whereby Representatives of FRGIS act in a dual capacity of registration with both FRGIS and LPL. These Representatives are located in LPL branch offices throughout the United States and are governed by policies and procedures of both organizations. The purpose of this manual is to document the plans for the recovery of FRGIS’ critical business functions and systems in the event of a business disruption.

## **I. Emergency Contact Persons**

Our Firm’s two emergency contact persons are:

David S. Rich Chief Compliance Officer FRGIS 704.816.8006 [Office] David.S.Rich@lpl.com	Jean Elzayek AML Compliance Officer FRGIS (704) 816-8012 [Office] jean.elzayek@lpl.com
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The Firm will provide FINRA with the contact information for the two emergency contact persons: (1) name; (2) title; (3) mailing address; (4) email address; (5) telephone number; and (6) facsimile number through the FINRA Contact System (FCS). FRGIS will promptly notify FINRA of any change in this information through FCS (but no later than 30 days following the change) and will review, and if necessary update, this information within 17 business days after the end of each calendar year.

*Rule: FINRA Rule 4370(f); FINRA Rule 4517.*

## **II. Firm Policy**

Our Firm's policy is to respond to a 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. In the event that we determine we are unable to continue our business and in conjunction with our business operating agreement with LPL, we will direct customers to the LPL Financial service center at 800-877-7210 for emergency assistance and access to their funds.

### **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 or national disruption. Our response to an external SBD relies heavily on other organizations and systems, especially on the capabilities of LPL.

FRGIS recognizes pandemic and other global disruptions as external SBDs. FRGIS strives to provide a safe and healthy workplace for all employees. The *Pandemic and other Global Disruptions Policy*, located in our Written Supervisory Procedures Manual, outlines our overall response to a pandemic outbreak and our emergency preparedness in conjunction with our BCP. It outlines specific steps and procedures FRGIS takes to safeguard employees' health and well-being during a pandemic while ensuring FRGIS's ability to maintain essential operations and continue providing essential services to our customers. In addition, it provides guidance on how we intend to respond to specific operational and human resource issues in the event of a pandemic.

### **B. Approval and Execution Authority**

Bruce Miller, President of FRGIS and a registered principal, is responsible for approving this plan and for conducting the required annual review.

In his absence, Mr. Miller has delegated the authority to approve and/or execute this BCP to David Rich and Jean Elzayek. Jean Elzayek can execute this BCP if both Mr. Miller and Mr. Rich are unavailable.

### **C. Plan Location and Access**

Our Firm will maintain copies of this BCP plan and the annual reviews, along with any changes that have been made to the BCP for regulatory inspection as requested or required. An electronic copy of our plan is located on: [www.financialresourcesgroup.net/compliance](http://www.financialresourcesgroup.net/compliance) and [www.box.net/FRG General/BCP](http://www.box.net/FRG_General/BCP).

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

### **III. Business Description**

Our Firm conducts business as a limited purpose Broker-Dealer. FRGIS receives commissions and overrides paid from another Broker-Dealer, LPL Financial, for business conducted by dual registered persons of both firms. Although FRGIS can receive commissions in this manner, it does not have a clearing agreement nor does it conduct general securities business under FRGIS. Our Firm is not an introducing firm and does not perform any type of clearing function for itself or others. Furthermore, we do not hold customer funds or securities. We do not accept or enter orders through FRGIS.

LPL Financial performs all clearing functions and holds customer funds or securities on our behalf. All transactions are sent to LPL Financial, which executes our orders, compares them, allocates them, clears and settles them. LPL Financial also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities. We do not engage in any private placements.

LPL Financial is located at the following locations and through their website at: [www.lpl.com](http://www.lpl.com). The LPL Financial service center can be contacted at 800-877-7210 for emergency assistance.

LPL Financial is located at:

<u>Boston</u> LPL Financial 75 State Street, 24 <sup>th</sup> Floor Boston, MA 02108	<u>Carolinas (Fort Mill)</u> LPL Financial 1055 LPL Way Ft. Mill, SC 29715	<u>San Diego, CA</u> LPL Financial 4707 Executive Drive San Diego, CA 92121
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### **IV. Office Locations**

Our Firm has one main office location at: 481 Munn Road, Suite 225, Fort Mill, SC 29715. Its main telephone number is 704-816-8000. Our employees may travel to this office by means of foot, car or bus. FRGIS engages in business activities as described in the **Business Description** section of this BCP at this location.

Due to the operating agreement between FRGIS and LPL, this location is also a registered Office of Supervisory Jurisdiction (“OSJ”) for LPL Financial.

### **V. Alternative Physical Location(s) of Employees**

In the event of an SBD, we will work with LPL to move dual registered staff, where appropriate, from affected office(s) to the closest of their unaffected office location(s). Staff may also be given the option from Senior Management to be moved to their homes to work remotely given the SBD circumstances.

Rule: FINRA Rule 4370(c)(6).

## **VI. Customers' Access to Funds and Securities**

LPL Financial maintains custody of customers' funds or securities as part of our operating agreement. In the event of an internal or external SBD, if telephone service is available, our dual registered persons will take customer orders or instructions and contact LPL Financial on their behalf, and if our Web access is available, we will post on our website that customers may access their funds and securities by contacting LPL Financial at: (800) 877-7210. The Firm will make this information available to customers through its disclosure policy.

Rules: FINRA Rule 4370(a); Securities Exchange Act Rule 15c3-1; see also 15 U.S.C. § 78eee.

## **VII. Data Back-Up and Recovery (Hard Copy and Electronic)**

FRGIS maintains its primary hard copy books and records at 481 Munn Road, Suite 225, Fort Mill, SC 29715. David Rich, Chief Compliance Officer of FRGIS, is responsible for the maintenance of these FRGIS books and records.

Our Firm maintains its back-up hard copy books and records by scanning to the Box.com cloud based platform system. These records are maintained through the Box.com platform system which meets the SEC 17a-4 requirements. David Rich, Chief Compliance Officer, is responsible for the maintenance of these back-up books and records. Our Firm backs up its paper records by copying and placing them on our back-up site. We back up our records to the Box.com platform typically within 24 hours once hard copy books and records are finalized.

The Box.com platform essentially offers cloud backup of data to a cloud-based server. Box.com has indicated via their website that cloud backup happens automatically as Box.com uses data centers with reliable power sources and secondary backup systems. In light of these backup systems and redundancies at Box.com, the Firm utilizes and relies upon those abilities and resources at Box.com as their secondary back-up of books and records for the Firm. David Rich, Chief Compliance Officer, has access to the Box.com system for retrieval of any initial and/or duplicate records contained within their systems.

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 site. If our primary site is inoperable, we will continue operations from our back-up site or 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 site, or, if our primary site is inoperable, continue operations from our back-up site or an alternate location.

LPL Financial has issued additional policies and procedures related to data back-up and recovery pertaining to books and records of dual registered Representatives of LPL and FRGIS. The following LPL policies relate to books and records maintained by LPL of dual registered FRGIS Representatives located in LPL registered branch offices.

*...Members that maintained books and records at the affected locations should make every effort to retrieve or back-up such records. If any such records were permanently destroyed, a list of the types of books and records required to be maintained pursuant to NASD Rule 4510 and SEA Rules 17a-3 and 17a-4 must be prepared. The list should include the time periods affected, but need not include records that can be recreated from an electronic database or that can be retrieved otherwise from a service bureau, back-up records storage facility, etc. All such lists must be submitted to LPL Financial through the Compliance Service Center at 1-(800) 877-7210 x6835.*

*If you have damage to your records:*

- 1. Do not destroy the records until instructed it is ok to do so.*
- 2. Inventory the damaged records using the damaged records log in Attachment C of this plan.*

*Our branch maintains its primary electronic records at:*

*Box.net (1-877-729-4269) is responsible for the maintenance of these books and records. Our branch maintains the following document types and forms that are not transmitted to LPL Financial: All Compliance files books and records requirements are fulfilled by Box.*

*Our branch backs up electronic records at:*

*Box (www.box.com)*

*Contact Patty: Customer Service*

*Backup Frequency: Box backs-up continuously in "real time"*

*The document types and forms that are backed up are: All Compliance files books and records requirements.*

*Rule: FINRA Rule 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). If needed, we will direct customers directly to LPL Financial at: (800) 558-7567.

*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 LPL Financial, 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 financing from our bank or other credit sources to fulfill our obligations to our customers and clients. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take appropriate operational steps, including contacting LPL Financial regarding the Firms operating agreement for customers.

*Rules: FINRA Rules 4370(c)(3), (c)(8) & (g)(2).*

## **IX. Mission Critical Systems**

“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. These systems are maintained by LPL Financial through our dual operating agreement.

Our dual registered Representatives through LPL Financial have primary responsibility for establishing and maintaining the business relationships with customers and have sole responsibility for the mission critical functions of order taking, entry, and execution. LPL Financial provides 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 operating agreement with LPL Financial provides that LPL will maintain a business continuity plan and the capacity to execute that plan. LPL 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 LPL 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 LPL 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, LPL has represented that it will assist us in seeking services from an alternative source.

LPL represents that it backs up records at a remote site. LPL 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. LPL has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption and it has confirmed that it tests its back-up arrangements no less than annually.

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. LPL has the following SBD recovery time and resumption objectives: Mission-critical systems recovery is expected within four hours. Recovery time objectives vary based on the criticality of each function. These functions are outlined in LPL's Business Continuity Plan.

David Rich will periodically review LPL capabilities to perform the mission critical functions LPL has agreed to perform for our Firm.

## A. Our Firm's Mission Critical Systems

### 1. Order Taking

Currently, our dual registered Representatives receive orders from customers via telephone, or in person. 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. If customers are unable to reach the dual registered Representatives to place trades they can contact LPL Financials' Service Center at (800) 558-7567 directly.

### 2. Order Entry

Currently, our dual registered Representatives enter orders by recording them on paper, calling them in telephonically and electronically sending them to LPL Financial through the BranchNet system. LPL represents under its BCP, we can expect service restoration within 4 hours.

In the event of an internal SBD, our dual registered Representatives will enter and send records to LPL by the fastest alternative means available, which include via phone directly to LPL Financials' Service Center at (800) 558-7567. In the event of an external SBD, our dual registered Representatives will maintain the order in electronic or paper format, and deliver the order to LPL 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 LPL Financials' Service Center for order entry.

### 3. Order Execution

LPL Financial executes orders on behalf of our dual registered Representatives. LPL Financials' Fort Mill and San Diego offices serve as primary locations for Trade Execution. Each office serves as the backup for the other in the event of an internal or external SBD. There are documented and tested plans in place to provide for a fail-over between the two sites.

#### **4. Other Services Currently Provided to Customers**

In addition to those services listed above in this section, certain dual registered Principals of LPL and FRGIS also perform OSJ Compliance functions for all advisors associated within the dual branch offices. In the event of an internal SBD, those Principals would provide services remotely through cloud internet-based systems. In the event of an external SBD, those Principals would again provide services remotely through cloud internet-based systems.

##### **B. Mission Critical Systems Provided by LPL Financial**

FRGIS relies on LPL Financial to provide order execution, order comparison, order allocation, customer account maintenance and/or access and delivery of funds and securities.

LPL Financial backs up records of our dual registered Representatives at a remote site. LPL Financials' Fort Mill and San Diego offices serve as primary locations for mission-critical processing, including: Operations, Trade Execution and Processing, and the Service Center. Each office serves as the backup for the other. There are documented and tested plans in place to provide for a fail-over between the two sites.

*Rules: FINRA Rules 3510(c)(2) & (g)(1).*

#### **X. Alternate Communications Between the Firm and Customers, Employees, and Regulators**

##### **A. Customers**

Our dual registered Representatives now communicate with customers using the telephone, email, our website, fax, U.S. mail and in-person visits at LPL registered offices or another 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 email 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.

We will use whatever means of communication available to us including email, phone, our website or updating our voicemail to instruct customers to contact the LPL Financial client line, 800-558-7567, if we will be unable to transact business for them due to power or network outages.



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

## B. Employees

We now communicate with our employees using telephone, email 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 and office phone numbers. We have identified persons, noted below, who live near each other and may reach each other in person:

The person to invoke use of the call tree is: Bruce Miller or David Rich.

<b>Caller</b>	<b>Call Recipients</b>
Bruce Miller	David Rich – 646-510-4658 Steven Lank – 704-798-0700
David Rich	Bruce Miller – 804-314-0619 Steven Lank – 704-798-0700 Laura Keady – 646-369-9631 Christa Franse – 980-395-3110 Chris Thompson – 231-357-7421 Mark Stieve – 704-877-3988 Katie Mills – 706-308-5244 Jean Elzayek – 704-807-4100 Jim Liddington – 704-840-4538 Lindsey Bessant – 704-936-8392 Melissa McGrath – 732-882-4209
Mark Stieve	Cindy Nagel – 704-877-6121 Gloria Dubose – 828-699-1152 James “JJ” Hudock – 704-607-0624 Toni Dunlap – 803-448-2800
Christa Franse	Meleakia Spearing – 803-467-5487 Susan Andre – 704-643-6861 Matt Danner – 704-280-3944 Chris Freeman – 803-412-2647 Marika McCarthy – 704-807-5032
Laura Keady	Donna Coggins – 615-473-7694 Bradley Nelson – 706-224-3809 Amor Grey-Williams – 803-447-0216
Chris Thompson	Jenny Franchi – 704-301-0993 Tanya Beshears – 704-577-8091 Jennifer Hallmark – 704-241-5776

Rule: FINRA Rule 4370(c)(5).

## C. Regulators

FRGIS is currently a member of the self-regulatory organization (SROs), FINRA, and are also regulated by federal and state securities regulators. We communicate with our regulators using telephone, email, fax, 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).*

## XI. Critical Business Constituents, Banks, and Counter-Parties

### A. Business constituents

Critical business constituents are businesses with which we have an ongoing commercial relationship in support of our operating activities such as vendors providing critical services.

LPL Financial provides most of our critical services. 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 an SBD to them or our Firm. We have implemented the use of a questionnaire for our critical service providers, included in our Cybersecurity Checklist.

Our other critical business constituents are:

<b>Business Constituent</b>	<b>Services Provided:</b>
BranchNet System	LPL
Electronic Document Storage	Box.net
Fax Server	E-Fax/Ring Central
Office Cloud File System	Box.net
Correspondence Tracking	Box.net / Global Relay (LPL)

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

### 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: BB&T Bank, 200 S. College Street, Charlotte, NC 28202, 1-800-226-522. If our banks and other lenders are unable to provide the financing, we will seek alternative financing means through other established regional or national banks.

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

### C. Counter-Parties

LPL Financial maintains the relationships with our critical counter-parties on our behalf. LPL will contact any deemed critical counterparties, such as other broker-dealers or institutional customers, to determine if we will be able to carry out our transactions with them in light of the internal or external SBD. Where the transactions cannot be completed, we will work with LPL Financial or contact those counterparties directly to make alternative arrangements to complete those transactions as soon as possible.

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

## XII. Regulatory Reporting

We are subject to regulation by the SEC, FINRA and all state level securities and insurance regulators such as NAIC through direct affiliation and indirectly through our agreement with LPL Financial. We now file reports with our regulators using paper copies in the U.S. mail, and electronically using fax, email, 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. Contact information for each regulatory body can be access via each website.

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

## XIII. Disclosure of Business Continuity Plan

FRGIS has a BCP disclosure statement that is provided to customers via the FRGIS website. This FRGIS BCP disclosure statement is posted at <https://www.financialresourcesgroup.net/> and mailed to customers, at no cost, upon request.

LPL Financial has a BCP disclosure statement that is provided to customers at account opening. The LPL BCP Disclosure statements is also posted to <https://www.lpl.com> and mailed to customers upon request.

*Rule: FINRA Rule 4370(e).*

## XIV. Updates and Annual Review

FRGIS will update this plan whenever we have a material change to our operations, structure, business or location or to those associated to our arrangement with LPL Financial. In addition, our Firm will review this BCP annually during the Firm's annual review to modify it for any changes in our operations, structure, business or location or those associated to our arrangement with LPL Financial.

*Rule: FINRA Rule 4370(b).*

**XV. Senior Manager Approval**

The undersigned, or designee, has approved this Business Continuity Plan as reasonably designed to enable our Firm to meet its obligations under our agreement with LPL Financial and to customers in the event of an SBD.

*Rule: FINRA Rule 4370(d).*



Title: \_\_\_\_\_ CCO \_\_\_\_\_

Date: \_\_\_\_\_ 12/29/2021 \_\_\_\_\_

**Attachment A**  
**FRGIS Business Continuity Plan Disclosure**

Financial Resources Group Investment Services (FRGIS or the “Firm”) has developed a Business Continuity Plan (“BCP”) on how we will 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 you should go to our website at <https://www.financialresourcesgroup.net/>. If you cannot access us through the instructions on our website, you should contact LPL Financial (“LPL”) at 866-467-1915 for assistance from an LPL associate.

Our Business Continuity Plan – We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the Firm’s books and records, and allowing our customers 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 disruption.

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

LPL backs up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by LPL that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments promptly. Your orders and requests for funds and securities could be delayed during this period.

Varying Disruptions – Significant business disruptions can vary in their scope, such as only our Firm, a single building housing our Firm, the business district where our Firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our Firm or a building housing our Firm, we will transfer our operations to a local site when needed and expect to recover and resume business promptly. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the

affected area. In either situation, we plan to continue in business, and notify you through our website or our customer emergency number. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our customer's prompt access to their funds and securities.

For more information – If you have questions about our business continuity planning, please contact us at: Financial Resources Group Investment Services 481 Munn Rd. E. Suite 225 Fort Mill, SC 29715 Direct (704) 816-8000 Fax (704) 816-8200.

**Attachment B:**  
**LPL Financial Business Continuity Plan Disclosure**

LPL Financial and our affiliate -The Private Trust Company- are committed to providing timely service to our clients. We recognize the importance of preparing for various disaster scenarios that could hamper our ability to provide service. We have taken aggressive steps to provide for business contingency and continuity planning under a variety of potential scenarios. We continue to evaluate our continuity plans and take the necessary actions to ensure the proper resources are available to provide for the recovery and timely resumption of critical business operations to internal business units, third-party business partners, and clients.

*LPL Financial Business Continuation Strategy Headquarters and Staff*

LPL Financial has headquarters and operations staff located in three principal locations: Boston, Fort Mill, and San Diego. The Boston office serves as the primary site for our executive office, Legal, and Research. These units, while vital to the company on a continuing basis, are not considered mission-critical for the daily back-office operation of our business. In the event of a disaster that would make the Boston office unserviceable, the San Diego office is its alternative facility.

*Mission-Critical Departments*

Both the Fort Mill and San Diego offices serve as primary locations for our mission-critical departments, including: Operations, Trade Execution and Processing, and the Service Center.

Each office serves as the backup for the other. There are documented and tested plans in place to provide for a fail-over between the two sites.

The LPL Financial Production Data Center is located in a second and distinct Charlotte location. The alternate Data Center is located in Dallas, Fort Worth, Texas.

- The Production Data Center facility is located approximately ten miles from the Fort Mill office location.
- The Production Data Center infrastructure is fully redundant in terms of power, network, and equipment.
- Each of our office locations also has fully redundant networking and telecommunications systems.
- There is redundant connectivity across Boston, Fort Mill, and San Diego.

The LPL Financial brokerage computing platform is operated in another geographical region of the United States by an unaffiliated third-party vendor. None of the scenarios presented in this document would pose a threat of business disruption to this remote site.

The third-party vendor has a complete business continuity plan that includes alternative sites and recovery times within four hours.

#### *Business Scenario Preparedness Single Building Disruption*

If LPL Financial loses the ability to perform business in one of our buildings, recovery staff associated with mission-critical functions will begin processing at our alternate processing site (Boston, Fort Mill, or San Diego, depending on the impacted department).

We have plans in place for this relocation, and these plans are tested periodically. Recovery time objectives vary based on the criticality of the function that is disrupted.

#### *Regional Disruption*

If LPL Financial loses the ability to perform business at either the Fort Mill or San Diego location, mission-critical San Diego functions would be failed over to our Fort Mill office and vice versa. Staff associated with non-mission-critical functions will be relocated to an alternative site (e.g., hotel, home) in an unaffected area. We have plans in place for this recovery and they are tested periodically. Recovery time objectives vary based on the criticality of each function.

#### *Remote Data Center Disruption*

If LPL Financial loses the ability to perform business in our Production Data Center in Charlotte, mission-critical systems will be recovered to our Dallas, Fort Worth Data Center. We have plans in place for this recovery and they are tested periodically.

Mission-critical systems recovery is expected within four hours.

#### *Pandemic Event*

LPL Financial has plans in place to continue business during a pandemic event. Our plan is a multi-tiered action plan based on the World Health Organization (WHO) alert phases with triggering events for each phase. As the threat of a pandemic becomes greater and a new phase is triggered, we will assess our plans and determine the appropriate course of action.

#### *Access to Your Funds*

A site outage should not impact our customers' ability to access to their available funds, as LPL Financial business contingency plans are designed to ensure sustained service. However, their ability to trade securities may be impacted by market events outside the control of LPL Financial, such as when the market was closed following the September 11 tragedy. Our tested business continuity plans result in necessary personnel being available to approve transactions that result in the disbursement of available funds. In the event that your LPL Financial advisor ceases operations due to a significant business interruption, you may call (800) 877-7210 for emergency assistance.