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

Updated: August 2024

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 capacity of registration with LPL Financial. 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	Jim Liddington Sr. Compliance Analyst FRGIS (704) 816-8016 [Office] Jim.liddington@lpl.com
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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.

B. Approval and Execution Authority

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

In his absence, Mr. Lank has delegated the authority to approve and/or execute this BCP to David Rich and Jim Liddington. Jim Liddington can execute this BCP if both Mr. Lank 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 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 an office of supervisory jurisdiction. FRGIS receives commissions and overrides paid from another Broker-Dealer, LPL Financial, for business conducted by registered persons of the firm. 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.

LPL Financial is located at the following locations and through their website at: 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 th 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: 360 Kingsley Park Dr., Ste. 100, 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 so 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 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 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 360 Kingsley Park Dr., Ste. 100, 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 registered Representatives. The following LPL policies relate to books and records maintained by LPL 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 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 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 registered Representatives to place trades they can contact LPL Financials' Service Center at (800) 558-7567 directly.

2. Order Entry

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

In the event of an internal SBD, our 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 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 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 registered Principals of LPL and FRGIS also perform OSJ Compliance functions for all advisors associated within the 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 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 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/mobile telephone 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: Steven Lank or David Rich.

Caller	Call Recipients
Steven Lank	David Rich – 646-510-4658 Bruce Miller – 804-314-0619 Jeff Holden – 508-831-8332 Brandon Beall – 619-977-0638

David Rich	Bruce Miller – 804-314-0619 Steven Lank – 704-798-0700 Christa Franse – 980-395-3110 Chris Thompson – 231-357-7421 Mark Stieve – 704-877-3988 Tricia Hutchinson – 706-773-5244 Jim Liddington – 704-840-4538 Lindsey Bessant – 704-936-8392 Trent Moran – 434-305-0133 Warren Williams – 704-965-2369 Chris Zehetmaier – 561-352-6718 Joe Napolitano – 845-764-1956
Mark Stieve	Cindy Nagel – 704-877-6121 Gloria Dubose – 828-699-1152 Adam Bohlen – 704-219-9263 James “JJ” Hudock – 704-607-0624 Stephen Locker – 704-287-2430 William Brice – 860-539-2047 David Foster – 608-215-1804 Tina Bakalas – 718-938-9512 Kristin Vitale – 708-712-8576 Heather Rossitto – 860-997-9466 Jennifer Wallace – 405-719-4994
Christa Franse	Meleakia Spearing – 803-467-5487 Susan Andre – 704-643-6861 Matt Danner – 704-280-3944 Chris Freeman – 803-412-2647 Julian Hill – 704-705-6533 Casey Hall – 704-231-8878 Sophie Syska – 516-404-8072 Angela Boykin – 404-964-2893
Tricia Hutchinson	Kristin Parcesepe – 970-792-7928 Raymond Miller – 704-737-0675 Donna Coggins – 615-473-7694 Diana Heinimann – 704-985-4589
Chris Thompson	Katie Dayton – 704-359-7147 Jennifer Hallmark – 704-241-5776 Amani Sodhi - 502-994-0138 Emilie Lucier – 704-956-3488

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

C. Regulators

As an office of supervisory jurisdiction of LPL, FRGIS is currently a member of the self-regulatory organization (SROs), FINRA policies and procedures as well as subject to

federal and state securities regulators and reulat. 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:

Business Constituent	Services Provided:
ClientWorks 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. LPL will 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 regulators cannot be contacted, LPL 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).

Signed: 

Title: CCO

Date: 08/23/2024

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 360 Kingsley Park Dr., Ste. 100, Fort Mill, SC 29715 Direct (704) 816-8000 Fax (704) 816-8200.

Attachment B:
LPL Financial Business Continuity Plan Disclosure

XVI. LPL Financial Enterprise Resiliency Summary

Disclosure to LPL Holding, Inc. Clients for Compliance with FINRA Rule 4370

XVII. I. Program Summary

Business continuity planning at LPL Financial is supported by an enterprise program and incorporated into the firm's business processes for LPL Financial Holdings, Inc. and all of its subsidiaries, affiliates, and departments. The Enterprise Resiliency Program balances reasonable assessments of resiliency risk inclusive of business continuity, and disaster recovery and crisis management, placing the highest priority on the physical safety and security of our financial professionals and employees, while preparing for loss of facilities and technologies.

LPL Financial, its teams, employees, and affiliated financial professionals cannot always guarantee mitigation or a specific recovery time following a disruption caused by large scale events, which may include government breakdown, or widespread interruption of public services or infrastructure. In those circumstances, LPL Financial's teams, employees, and affiliated financial professionals will make every reasonable effort to resume normal business operations as quickly as possible.

XVIII. II. Enterprise Resiliency Policy

LPL Financial governs its Enterprise Resiliency Program through a documented and implemented corporate policy reviewed and approved annually. LPL Financial and its affiliates recognize the importance of protecting our employees, financial professionals, and clients through business continuity, disaster recovery and crisis management practices. LPL Financial executes these practices to minimize operational risk, achieve business goals, and comply with laws, rules, and regulations to protect the firm and our clients.

The Enterprise Resiliency Policy applies to all employees of LPL Financial, its affiliates, third-party vendors, and partners. It establishes minimum requirements for maintaining the availability of mission critical business processes after an unplanned significant business disruption. The policy includes defining, maintaining, and testing recovery plans for critical business processes and technology applications within all of LPL Financial's business units so that they can remain operational after an unplanned business disruption.

Securities industry regulations require LPL Financial to create and maintain a business continuity plan tailored to its size and need, and reasonably designed to enable LPL Financial to meet its existing obligations to its clients or other counter-parties. In alignment with these regulatory requirements, the resiliency plan for LPL Financial is designed to address key areas of concern including, but not limited to, business continuity plans for the recovery of business processes, technology disaster recovery plans for the recovery of applications and infrastructure, and crisis management plansto support event response and coordination, providing coverage for all affiliates and business units.

At a minimum, the LPL Financial business continuity plan is reviewed, updated, and tested annually. Additionally, the firm's primary internal and external application providers periodically conduct testing of their own back-up capabilities to ensure that, in the event of an emergency or significant business disruption, they will be able to provide LPL Financial with the critical services needed to continue its business..

XIX. III. Program Overview

Time is of the essence when confronted with an unplanned business disruption that impacts LPL Financial Operations. The Enterprise Resiliency Program focuses on regular assessment of the firm's readiness for business disruption, accounting for employees and assembling leaders to execute their business continuity plans. In keeping with regulatory requirements, the business continuity plan for LPL Financial LLC and its affiliates is designed to address key areas of concern with the primary objective of providing uninterrupted service to financial professionals and clients by mitigating impacts, and recovering mission critical business processes and applications.

The program is examined periodically by internal auditors and regulatory examiners and is designed to meet regulatory requirements and United States financial industry standards in all states where LPL Financial, LLC conducts business.

XX. IV. Governance

The program is managed centrally within the Enterprise Risk Department, and provides governance and oversight for enterprise operational resiliency risks related to business continuity, disaster recovery, and crisis management activities.

XXI. V. Planning

All business units and subsidiaries must develop and maintain recovery plans commensurate with the criticality of the business processes as required under the established corporate policy. The criticality of a process is determined by a Business Impact Analysis (BIA) that drives the strategy, recovery time objective, recovery point objective, and frequency of testing. Each recovery plan adheres to a standard development lifecycle process, and meets specific design and data requirements.

XXII. VI. Testing

Business processes and their supporting technologies within LPL Financial are included in resiliency testing that assesses and validates controls and recovery capabilities, including response readiness for the firm to confirm it can operate as expected during an unplanned business disruption. The frequency of testing is determined by the criticality of the business processes and supporting technology with test results and compliance governance and oversight provided by the firm's Enterprise Resiliency Team.

XXIII. VII. Response Teams

Across the firm, LPL Financial has dedicated response teams with defined communications processes to ensure prompt dissemination of information to financial professionals, clients, and employees impacted by a business disruption. At the time of the event, the Enterprise Resiliency Team will lead efforts to engage the key stakeholders, assess the situation, assemble response and recovery teams, and act to mitigate operational impact.

XXIV. VIII. Resiliency Resources

a. Human Capital

In keeping with LPL Financial's focus on resiliency in the face of a business disruption, all business continuity plans include procedures for addressing temporary unavailability

of staff during events like natural disasters, pandemics, and unplanned outages. Priority consideration is given to the life safety of employees and the community. Recovery activities that cannot be performed with reasonable security of injury or life safety will be deferred until deemed safe to perform.

b. Facilities

In the unlikely event of a citywide or regional disruption, and as part of its commitment to providing uninterrupted service to financial professionals and clients, LPL Financial's business continuity plans include geographically dispersed backup facilities and other recovery locations for critical business processes, including off-site and virtual command centers, to direct response and recovery activities. In the event any such disruption occurs, LPL Financial has developed alternative service arrangements, systems, locations, and contingency plans to sustain critical processing and ensure any service affected is quickly restored.

c. Technology

LPL Financial has geographically dispersed data centers, employing advanced recovery and resilience technologies, to mitigate impacts and ensure recovery can be accomplished within established time objectives. Critical customer data and application services are backed up electronically, and intraday transactions are recorded to allow for data recovery. Tests of the recovery plans are conducted regularly.