

## CL King & Associates, Inc. Business Continuity Plan

CL King & Associates (“CL King” or “Firm”), has developed a Business Continuity Plan 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 reach us by normal means, you should call our main number at (518) 431-3555 or go to our website at <https://www.clking.com>. If you cannot reach us through either of those means, you should contact our clearing firm, Hilltop Securities at **(866) 797-5227** or by visiting their website at <https://www.hilltopsecurities.com> for instructions on how it may to process limited security transactions, transfers, and cash disbursements.

The Business Continuity Plan (“BCP”) employed by is intended to ensure the uninterrupted operations of the Firm’s business and/or restoration of the Firm’s operations in the most efficient and timely manner in case of a significant business disruption. The plan is designed to address the following key areas:

- Financial and operational requirements
- Alternate physical location of employees
- Critical business constituent, bank and counter-party impact
- Communications with customers, employees and regulators
- Data back-up and recovery
- Support for Mission critical systems
- Regulatory reporting
- Assuring customers prompt access to funds and securities in the event the Firm is not able to continue in business

The BCP is tested at least annually and is continually reviewed in light of changes in the Firm’s business, operational, IT, financial and physical environment.

Our plan anticipates two kinds of Significant Business Disruptions (“SBD”s), 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 disruption. Our response to an external SBD relies more heavily on other organizations and systems, especially on the capabilities of our clearing firm.

A disruption can be caused by any accidental, natural or man-made event which threatens to or does disrupt normal operations for sufficient time to significantly affect the Firm’s ability to continue business. The scope of a disruption can be local, affecting the main or branch offices or a major application system, or regional or industry-wide, affecting the securities markets in part or as a whole. The Firm’s response to a disruption will depend upon the scope and estimated timeframe.

CL King’s policy is to respond to a significant business disruption by safeguarding employees’ 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.

We back up our BCP electronically at our backup data center, where it can be retrieved in the event of failure of our primary data center.

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

In the event of a significant business disruption we will continue operation at an alternate working location. Alternate locations will be determined by Firm management based on type and severity of business interruption. Alternative locations may include having personnel work remotely from home or placing personnel in one or more branch offices.

### **Critical Business Constituent, Bank and Counter-Party Impact**

Contact information for all of our critical business partners, banks and counter-parties are listed in the appendices to the business continuity plan. In the event of a significant business disruption we will use the most expedient method to communicate with these parties. We will always keep all parties updated with the status of this disruption to the extent appropriate.

All of those parties maintain business continuity plans of their own in the event of a significant disruption to their businesses.

The BCP provides for maintenance of phone, e-mail and internet service in the event of a disruption. Communications with critical business partners, banks and counter-parties will continue from alternate locations.

### **Communications with Customers, Employees and Regulators**

In the event of a significant business disruption we will use the most expedient method to communicate with our customers, employees and regulators. We will always keep all parties informed with status on the situation of the business.

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

CL King maintains a copy of all relevant documents either on site, at our email retention vendor - Proofpoint or in our offsite storage facility – Iron Mountain, Kingston, NY. We have access to those records and files at any given time, so in the event of a significant business disruption we can always recover our records. Application and data at the Firm's production data center is replicated throughout the day to our backup data center at 80 State Street, Albany NY.

### **Mission Critical Systems**

CL King's mission critical systems are those that ensure prompt and accurate processing of securities transactions and the maintenance of customer accounts. These systems and their associated data are either maintained by an outside vendor in their own secure environment or, to the extent data is stored in the Firm's data center, replicated through-out the day to our backup data center.