

## **Business Continuity Plan Disclosure**

Altos Group (“Altos Group”, the “Firm” or “our”) is committed to safeguarding the interests of our clients and customers in the event of an emergency or significant business disruption. This Business Continuity Plan Disclosure (the “BCP”) summarizes Altos Group’s effort to mitigate risks inherent with unforeseen business interruptions. The Firm’s comprehensive business continuity strategy is designed to enable us to meet our existing obligations to our clients and customers even in the event of an emergency or significant business disruption. This BCP is intended to be best practice being followed by Altos Group based on rules promulgated by leading international exchanges and self regulating organizations.

### **Overview**

Altos Group currently maintains twenty-two primary facilities, which are leased by itself and about fifty-three franchises and sub broker network to house the backbone of our trading, sales, operations and information technology. These facilities are located far enough apart to diminish risks posed by local disruptions. This separation is a key element of the Firm’s overall business continuity strategy. This separation allows us to plan for events at each location individually, since no one event should effect more than a single location simultaneously. The benefit of having only one site in each location means our response to an event will be the same whether the event is a firm-only business disruption, a disruption to a single building, a disruption to a business district or a city-wide business disruption.

### **Communication with Our Employees in the Event of a Disruption**

The safety and well-being of our employees is a vital concern. In the event of an emergency or significant business disruption, the Firm will communicate with its employees in several different ways. We use a combination of general broadcast and direct targeted outreach. General information such as office closures and operating hours will be posted on the Firm’s internal and external websites and similar recorded updates will play around-the-clock on the Altos Group emergency telephone hotline. Senior managers will be contacted directly via telephone and/or email by an updated call tree system.

### **Redundancy of Mission Critical Information Technology Systems**

Altos Group has several information technology processing and backup sites that, collectively, provide the redundancy required to protect the firm’s books and records, balance sheet and capital, and provide business continuity and client protection. The recovery capability of the Firm’s mission critical processing

capabilities is achieved through the use of a specialized vendor facility that provides disaster recovery services to many large corporations. Unlike many shared facilities that allocate computer capacity to several different clients on a first-come-first-serve basis, Altos Group owns fully dedicated backup equipment located at the vendor facility. Other mission critical systems are protected by the use of redundant technology located in one of the firm's data centers. Recovery times for mission critical systems range between real time recovery and 4 to 12 hours.

### **Back-Up Sales and Operations Site**

Altos Group maintains a backup trading room and operations center located approximately 310 Kilometers from our headquarters. In the event that we are unable to access our primary facility, it may be necessary to relocate certain personnel to the backup site. The backup facility is a "hot site." In other words, the site is fully operational at all times. It is equipped with workstations that have redundant computer network connectivity, telephones, printers, fax machines, market data feeds and all the other specialty equipment necessary for trading and operations. The backup trading positions are periodically checked to ensure that they are equipped with updated software and trading applications. The functionality of the backup facility is routinely tested by sales, trading and operations personnel.

### **Protection of Primary Facilities**

Protecting the infrastructure of our primary facilities is a high priority because it will allow the firm to continue operations in the event of many disaster situations, by permitting our employees to have access to and use of our facilities during that situation. Each of our primary facilities has life safety systems and infrastructure designed to permit Altos Group to operate despite failures of external power, water, or telecommunications. Our headquarters has enough backup power, fuel and water to operate independently for a week. The Firm's main data center is located in a low-risk area and it too has sufficient backup power to operate for a week. Refueling contracts are in place for all our facilities that allow us to run indefinitely. Each of the facilities has restricted card-key access and extensive physical security measures.

### **Disclaimer**

The Firm's comprehensive business continuity strategy is designed to enable us to meet our existing obligations to our clients and customers even in the event of an emergency or significant business disruption; however it is not infallible. The BCP is designed to work in many different emergencies; but these events are, by their nature, unpredictable and it is impossible to anticipate every scenario that could cause a

business disruption. Furthermore, although we are confident in our own preparedness, Altos Group has no control over the various entities that we must rely upon in the event of an emergency. Our business continuity plans are tested periodically to ensure readiness; yet such tests may not be able to replicate the actual conditions we experience in a real emergency. This BCP is subject to change without notice. In the event that this BCP is modified, the updated document will be promptly posted on the Altos Group internet website. Alternatively, customers may obtain an updated hard copy of the BCP upon request. The information contained in this disclosure is provided by Altos Group for informational purposes only. Nothing contained herein shall be construed to amend, supplement or otherwise modify any of the terms and conditions set forth in any customer agreement between you and Altos Group. Customers of firms that introduce accounts to Altos Group must look to the business continuity plans of their introducing firm for guidance. Each individual broker analyst or sub broker/franchise firm that introduces accounts to Altos Group is required to develop and maintain its own business continuity plan independent of Altos Group's BCP.