

**BUSINESS CONTINUITY PLAN**  
**for**  
**TRIAD ADVISORS, INC.**  
(amended 5/18/2008)

Per FINRA Rule 3510, Triad Advisors, Inc. is required to create and maintain a business continuity plan. Following is the plan and procedures that should be used in an emergency or significant business disruption.

**I. Emergency Contact Persons**

Our firm's two emergency contact persons are: Mark Mettelman, (770) 840-0363, [mark@triad-advisors.com](mailto:mark@triad-advisors.com), Keith Mathis, (770)-840-1154, [keith@triad-advisors.com](mailto:keith@triad-advisors.com) and Chet Payne, (770) 840-0363, [chet@triad-advisors.com](mailto:chet@triad-advisors.com). These names will be updated in the event of a material change, and our Executive Representative will review them within 17 business days of the end of each quarter.

**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, we will assure customers prompt access to their funds and securities.

**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 disruption. Our response to an external SBD relies more heavily on other organizations and systems, especially on the capabilities of our clearing firm.

**B. Approval and Execution Authority**

Keith Mathis, Executive Vice President, a registered principal, is responsible for approving the plan and for conducting the required annual review. All officers have the authority to execute this BCP.

**C. Plan Location and Access**

Our firm will maintain copies of its BCP plan and the annual reviews, and the changes that have been made to it for inspection. An electronic copy of our plan is located on [\\Tai-dc-srv01\PUBLIC\Compliance](#) and maintained by all officers personally.

### **III. Business Description**

Our firm conducts business in equity, fixed income, and derivative securities. Our firm is 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 accept and enter orders. All transactions are sent to our clearing firm or directly to mutual funds or insurance companies, which executes our orders, compares them, allocates them, clears and settles them. Our clearing firm also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities. Our firm services retail and institutional customers. We do not engage in any private placements.

Our clearing firm is National Financial Services, LLC, , (800)752-7053, <http://www.nationalfinancial.com/> and our local contact person at that clearing firm is Keith MacDougall, (770) 657-1166, keith.macdougall@fmr.com.

### **IV. Office Locations**

Our Home Office is located at 5185 Peachtree Parkway, Suite 280, Norcross, GA, 30092. Its main telephone number is (770) 840-0363. Our employees may travel to that office by means of foot or car. We engage in order taking and entry at this location.

All other offices are retail branches which employees can reach by means of foot, car or plane. In order to properly function, individuals only need to contact the home office.

### **V. Alternative Physical Location of Employees**

In the event of an SBD, we will move our staff from affected offices to the Marriott nearby the home office and if that is unavailable would meet at Mark Mettelman's home. The Marriott's main telephone number is (770) 263-8558.

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

Our firm does not maintain custody of customers' funds or securities, which are maintained at our clearing firm, NFS. 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 our clearing firm on their behalf, and if our Web access is available, our firm will post on our Web site that customers may access their funds and securities by contacting Keith MacDougall, (770) 657-1166, keith.macdougall@fmr.com

If SIPC determines that we are unable to meet our obligations to our customers or if our liabilities exceed our assets in violation of Securities Exchange Act Rule 15c3-1, SIPC may seek to appoint a trustee to disburse our assets to customers. We will assist SIPC and the trustee by providing our books and records identifying customer accounts subject to SIPC regulation.

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

Our firm maintains its primary hard copy books and records (which are scanned into our computer system) and its electronic records at the Home Office. All officers are responsible for the maintenance of these books and records. Our firm maintains the following document types and forms that are not transmitted to our clearing firm: [customer account files, blotters, financials, correspondence, advertising, personnel files, etc.].

Our firm maintains its back-up hard copy books and records at Iron Mountain. These records are paper copies. All officers are responsible for the maintenance of these back-up books and records. Our firm backs up its paper records by scanning them and taking the originals to our back-up site.

The firm backs up its electronic records through InterNAP Datacenter, 215 Williams Street, Atlanta, GA. This is a secure site with electricity back-up and will provide access to our data.

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 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.

## **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 Web site, telephone voice mail, e-mail, etc. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

### **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 our clearing firm,

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 steps, including contacting NFS to facilitate customer access directly to them.

## **IX. Mission Critical Systems**

Our firm's "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. More specifically, these systems include: Streetscape (NFS internet account and order-entry system), FBSI (NFS account system), Microsoft Outlook (E-mail), Laser Fiche (document scan system), FoxTrot (accounting and back-office system), Internal Servers.

We have primary responsibility for establishing and maintaining our business relationships with our customers and have sole responsibility for our mission critical functions of order taking and entry. Our clearing firm provides, through contract, the 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.

Our clearing firm contract provides that our clearing firm will maintain a business continuity plan and the capacity to execute that plan. Our clearing firm represents that it will advise us of any material changes to its plan that might affect our ability to maintain our business and presented us with an executive summary of its plan, which is attached. In the event our clearing firm 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 our clearing firm 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, our clearing firm represents that it will assist us in seeking services from an alternative source.

Our clearing firm represents that it backs up our records at a remote site. Our clearing firm 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. Our clearing firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing.

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.

## A. Our Firm's Mission Critical Systems

### 1. **Order Taking**

Currently, our firm receives orders from customers via telephone or in person visits by the customer. 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. Customers will be informed of alternatives by our website. If necessary, we will advise our customers to place orders directly with our clearing firm.

### 2. **Order Entry**

Currently, our firm enters orders by recording them on paper and electronically and sending them to our clearing firm electronically or telephonically. We can enter these orders electronically from any web-enabled location and forward our telephone service anywhere via choices made over the internet or by telephone.

In the event of an internal SBD, we will enter and send records to our clearing firm by the fastest alternative means available, which include the internet or telephone. In the event of an external SBD, we will maintain the order in electronic or paper format, and deliver the order to the clearing firm 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 our clearing firm for order entry.

## B. Mission Critical Systems Provided by Our Clearing Firm

Our firm relies, by contract, on our clearing firm to provide order execution, order comparison, order allocation, and the maintenance of customer accounts, delivery of funds and securities, and access to customer accounts.

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

## A. Customers

We now communicate with our customers using the telephone, e-mail, our Web site, fax, U.S. mail, and in person visits at our firm or at the other's 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 e-mail 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.

## B. Employees

We now communicate with our employees using the telephone, e-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. 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, office and mobile phone numbers. Each department manager would be responsible for contacting his or her own employees.

## C. Regulators

We are currently members of the following SROs: FINRA, MSRB and NFA. We communicate with our regulators using the telephone, e-mail, 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.

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

## A. Business constituents

We have contacted our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services), and determined the extent to which we can continue our business relationship with them in light of the internal or external SBD. 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 a SBD to them or our firm.

## 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, 5125 Peachtree Parkway, Norcross, GA 30092, (770) 510-0757. The bank maintaining our Proprietary Account of Introducing Brokers/Dealers (PAIB account) is NFS. If our banks and other lenders are unable to provide the financing, we will seek alternative financing immediately from shareholders.

## **XII. Regulatory Reporting**

Our firm is subject to regulation by: FINRA, SEC, MSRB, NFA and state securities regulators. We now file reports with our regulators using paper copies in the U.S. mail, and electronically using fax, e-mail, 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.

## **XIII. Disclosure of Business continuity Plan**

We provide in writing a BCP disclosure statement to customers at account opening. We also post the disclosure statement on our Web site and mail it to customers upon request.

## **XIV. Updates and Annual Review**

Our firm will update this plan whenever we have a material change to our operations, structure, business or location or to those of our clearing firm. In addition, our firm will review this BCP annually, to modify it for any changes in our operations, structure, business, or location or those of our clearing firm.

## **XV. Senior management Approval**

I have approved this Business Continuity Plan as reasonably designed to enable our firm to meet its obligations to customers in the event of an SBD.

Signed: \_\_\_\_\_

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

Date: \_\_\_\_\_