



## **Business Continuity Plan (“BCP”)**

### **I. Emergency Contact Persons**

1. Kevin M. Keefe Chief Executive Officer

Office: (302) 396-9606  
Cell: (404) 416-1455  
E-Mail: [kkeefe@coastal-one.com](mailto:kkeefe@coastal-one.com)

2. Barrett Schultz Chief Compliance Officer

Office: (302) 485-9015  
Cell: (210) 394-8513  
E-Mail: [bschultz@coastal-one.com](mailto:bschultz@coastal-one.com)

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”). Kevin M. Keefe 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.

### **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 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 several 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**

Kevin Keefe, a registered Principal and CEO, is responsible for approving the plan and for conducting the required annual review with the assistance of Barrett Schultz, the firm's Chief Compliance Officer. Mr. Keefe has 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 our Internal Network Drive in the "Compliance" and "Operations" folders. A hard copy of the current plan is maintained in the office of the Chief Compliance Officer.

## **III. Business Description**

Our firm conducts business in equity, fixed income, variable and fixed annuities, derivative securities and Alternative Products. 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 firms, which executes our orders, compares them, allocates them, clears and settles them. We may also place orders directly with the issuer or sponsor of a security, and custody the securities with them or another qualified custodian. Our clearing firms also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities. Our firm services primarily retail customers.

Our clearing firms are:

Wells Fargo Clearing Services, also known as First Clearing, is located at One North Jefferson, St. Louis, MO 63103, (800) 727-0304. Our contact person at First Clearing is Dawn Davis, (314) 875-8412. FC's Website is <http://www.firstclearing.com>.

Axos Clearing is located at 15950 West Dodge Rd., Omaha, NE 68118, (402) 384-6100. Our contact person at Axos is Todd Hatton, (402) 384-2127. Axos' website is: <http://www.axosclearing.com>.

Our firm's affiliates, including Coastal Investment Advisors, Inc., share many operational systems in common with the firm and therefore they also adopt and rely upon the policy and other information set forth in this Plan.

## **IV. Office Locations**

A list of all branch offices and registrants is kept as a functional master contact list. That list is distributed and always available to Home Office employees and other appropriate employees through the firm's network drive. FINRA Firm Gateway also provides a means to create a report of all branch locations registered with the Broker-Dealer.



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

In the event of an SBD, we will move our staff from affected office(s) to the closest of our unaffected offices or other designated location(s) for their maximum safety when appropriate. Due to the nature of the firm's business and small number of employees, we will permit our employees to operate from their homes for short-duration SBDs. In the event that the SBD includes destruction or unavailability of the physical home office, employees will work from home or from another branch location at the firm's discretion, until another office location is acquired.

### **V1. Customers' Access to Funds and Securities**

Our firm does not maintain custody of customers' funds or securities, which are maintained at our clearing firms, First Clearing, LLC, Axos Clearing, LLC or directly with the issuer, transfer agent, or other qualified custodian. I

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 and portions of its electronic records at 1201 N. Orange Street, Suite 729, Wilmington, DE 19801. The FinOP is responsible for the maintenance of these books and records. All customer account records are kept at First Clearing and are available at any time. Our firm maintains the following document types and forms that are not transmitted to our clearing firm: new account forms, held away business such as annuities, private placements, DPP's and unlisted REIT's and direct mutual fund business. Our firm backs up its paper records by scanning the forms, including those which are not transmitted to our clearing firm. Those electronic copies are kept via ShareFile the firms storage/network drive. The ShareFile data is backed up daily to Amazon AWS.

The firm's employees may also possess certain documents on local computer hard drives, which are continuously backed up to a web-based real time backup server. Email is archived in a WORM compliant fashion by third party vendor Global Relay and Smarsh.

Our firm uses a secure web-based program, Quick Books Pro, for its accounting, thus all accounting records are stored securely off site continuously.



## **VII. Financial and Operational Assessment**

### **A. Operational Risk**

Depending on the severity of the SBD we will identify the best means that will permit us to communicate with our customers, employees, critical business constituents, critical banks, clearing firm and regulators. These could include phone, information on our Web site, voice mail, secure e-mail, etc. We will also, if necessary, 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 operation 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 counterparties 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, deciding on those steps after due deliberation and possible consultation with our attorneys and other advisors.

## **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. 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, entry and execution.

Our clearing firms provides through contract 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 clearing firms 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 has presented us with an executive summary of its plan. In the event our clearing firm executes its plan, it represents that it will notify us of such execution and provides us with equal access to services as its other customers.



Our clearing firms represents that it operates three back-up operating facilities in geographically separate areas with the capability to conduct the same volume of business as its primary site. Our clearing firms have also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing, and it has confirmed that it tests its back-up arrangements two to three times per year.

Recovery-time objectives (RTO) 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. Our clearing firms has the following SBD recovery time and resumption objectives: Critical trading activities and operational support can be re-established as soon as personnel can get to the alternate site in St. Charles, MO for First Clearing and Omaha, NE for Axos Clearing.

A. Our Firm's Mission Critical Systems

1. **Order Taking**

On a normal basis orders are taken via the telephone, entry is directly to PC via Smart Station or Beta Back office and occasionally by telephone. 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 phone, email or website.

2. **Order Entry**

In the event of an internal SBD, we will enter and send records to our clearing firms by the fastest alternative means available, which include directly through SmartStation, telephone or fax. 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 Firms

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



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

### A. Customers

We communicate with our customers via the telephone, cell phones, email, fax and in-person visits at our firm or at other locations. 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.

### B. Employees

We communicate with our employees using the phone, 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 also employ a call tree (Exhibit D) so that senior management can reach all employees quickly during an SBD. Each home office employee and OSJ have access to the Company's Master Contact List which has all relevant contact information for all employees of the firm on a rolling and up to date basis. Kevin Keefe and Barrett Schultz will assign to home office personnel and/or OSJs the responsibility for contacting all employees, if necessary, when email is unavailable.

### C. Regulators

We are currently registered, regulated or a member of the SEC, FINRA, MSRB, SIPC and 52 U.S States and Territories. We communicate with our regulators using the telephone, cell phone, email, U.S. mail, in person, fax and direct electronic means. 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 will contact 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 determine the extent to which we can continue our business relationship with them in the event of an 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 an SBD affecting them or our firm.

#### B. Banks

The bank maintaining our operating account is: Ameris Bank, 6805 Morrison Blvd., Suite 310, Charlotte, NC 28211. Our contact is Ferando Ycaza, SVP, (704) 488-0897. The institution maintaining our Proprietary Account of Introducing Brokers/Dealers is First Clearing LLC, One North Jefferson, St. Louis, MO 63103, (800) 727-0304 and our contact person at that clearing firm is Dawn Davis (314) 875-8312. The firm's affiliate RIA maintains an operating account at Ameris Bank, 6805 Morrison Blvd., Suite 310, Charlotte, NC 28211. Our contact is Ferando Ycaza, SVP, (704) 488-0897. We do not currently have any need for financing, nor do we anticipate the need in the foreseeable future.

#### C. Counter-parties

At this time, we have no counter-parties, however if we were to in the future this would be our policy in the event of an SBD. We will contact our critical counter-parties, such as other broker-dealers or institutional customers, to determine if we will be able to carry out our transactions with them in the event of an internal or external SBD. Should the transactions cannot be completed, we will work with our clearing firms or contact those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

### **XII. Regulatory Reporting**

Our firm is subject to regulation the SEC, FINRA, SIPC, MSRB and 52 U.S. States and Territories. We file reports with our regulators using paper copies via 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.

### **XII. Disclosure of Business Continuity Plan**

The Business Continuity Plan statement is provided to clients at account opening and is available on our website.



**XIV. Updates and Annual Review**

The firm will update this plan whenever we have a material change to our operations, structure, business, location or to those of our clearing firm within 30 days of the change. We will train our employees to be familiar with the policies and procedures of the BCP and have a thorough understanding of their responsibilities in the event of an emergency.

**XV. Senior Manager 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: \_\_\_\_\_

By: Kevin M. Keefe  
Title: Chief Executive Officer

Date: \_\_\_\_\_, 2023