

JOHNSON RICE & COMPANY L.L.C.
BUSINESS CONTINUITY PLAN
DISCLOSURE TO CLIENTS

October 1, 2019

Johnson Rice & Company L.L.C. (“Johnson Rice”) 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 Johnson Rice’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 in the event of an emergency or significant business disruption.

Contacting Us - If after a significant business disruption, you cannot contact us by telephone at (800) 842-6229 or e-mail, you should access our website at www.jrco.com for up-to-date contact information. If you are unable to access us through any other means, you should contact our clearing firm, National Financial Services LLC at 1-(800) 801-9942 for instructions on how to obtain access to funds and securities, enter orders and process other transactions.

Our Business Continuity Plan - Our business continuity plan is designed to permit Johnson Rice to resume operations as quickly as possible after a significant business disruption, given the scope and severity of the disruption. Our plan allows us to 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.

Our business continuity plan addresses data back up and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees and regulators; alternate physical locations of employees; critical suppliers, contractors, banks 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.

Johnson Rice maintains a replica of our main file server in a geographically separate location to protect the firm’s books and records and provide business continuity and client protection. The recovery capability for certain 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. Estimated recovery times for mission critical systems range between real time recovery and 4 to 12 hours.

Johnson Rice maintains a backup trading center in a geographically separate location. In the event that we are unable to access our primary facility, it may be necessary to relocate certain personnel to the backup site.

Our clearing firm backs up our important records in a geographically separate area from their main facilities. 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 our clearing firm that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments through its back up facilities within 4 to 12 hours. 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, a business district where our firm is located, a city where we are located, or a 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 an alternate site if needed and expect to recover and resume business within 24 hours. Our response to an external business disruption such as a terrorist attack or citywide flood will be to transfer our operation to a site outside of the affected area, and expect to recover and resume business within 24 hours. In either situation, we plan to continue in business, transfer operations to our clearing firm if necessary and continue to assure that our clients have access to their funds and securities.

Disclaimer – Our comprehensive business continuity strategy is designed to enable us to meet our existing obligations to our clients in the event of an emergency or significant business disruption, however it is not infallible. The plan is designed to work in many different emergency situations; 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 preparedness, Johnson Rice 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 our website. Alternatively, customers may obtain an updated hard copy BCP disclosure upon request. The information contained in this disclosure is provided by Johnson Rice 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.

For more information - If you have questions about our business continuity planning, you can contact us at 1-800-443-5924.