

## **Kestra Financial** **Business Continuity Plan Disclosure**

Kestra Financial is committed to providing timely service to our clients. This document is to inform you of our ability to respond to certain business disruptions. Kestra IS is an introducing broker/dealer and, as such, relies on correspondent clearing firms to perform certain functions on their behalf, including the execution of securities transactions and the maintenance of customer funds and securities. Kestra AS and Kestra PWS have similar relationships with 3<sup>rd</sup> party custodians and asset managers. Our ability to respond to certain business disruptions is partially dependent upon these firms.

We maintain a business continuity plan that includes backup facilities and arrangements at redundant data centers and alternate processing facilities to address interruptions to our normal course of business. The plan is reviewed annually, updated as necessary, and subject to modification from time to time. Any critical changes to the plan will be posted to this website and may also be requested in writing to Kestra Financial, Inc., 1250 Capital of Texas Hwy. Suite 125, Austin, TX 78746.

As described below, our plan outlines the actions the above named subsidiaries of Kestra Financial will take in the event of a single building or a citywide or regional incident. These actions include relocating technology and operational personnel to preassigned alternate locations as necessary. Although we intend to continue business in the event of a business disruption, there are some disruptions that may render us unable to continue business. Under such circumstances, we cannot guarantee that we will be able to follow our stated course of action. However, we will take steps designed to ensure that clients will be able to access their funds and securities within a reasonable time.

### **Response to Events of Varying Scope**

The following sections describe specific events and the corresponding general response to such events from Kestra.

#### **Disruption to a Single Building or Firm-Only Business Disruption**

These disruptions may be caused by physical damage, technology problems, or an inability to have personnel arrive at an office. In the event that there is a significant business description to a single building or our internal primary systems, we will, if necessary, transfer our operations or route incoming calls to an alternate geographic location. In this process, clients may experience a minor delay in reaching us due to increased client calls, technology delays, or other minor difficulties arising from the transfer of operations. In addition, if our clearing firms are affected by a single building or firm only business disruption, clients may experience additional delays.

## Business-District, Citywide, or Regional Disruption

In the event that there is a significant business disruption that affects the business district, city, or region where any of our primary systems are located, we may, if necessary, transfer our operations or route incoming calls to another office in an alternate geographic location office. In this process, clients may experience a minor delay in reaching us due to increased client calls, technology delays, or other minor difficulties arising from the transfer of operations. If the disruption is significant, we may transfer our operations to a third party service provider. In addition, if our clearing firms are affected by a business district, citywide, or regional disruption, clients may experience additional delays.

Our operation facilities are equipped for resumption of business and are tested as necessary. Our anticipated recover time from a business district or citywide disruption, including those involving a relocation of personnel or technology, is (4) hours. External conditions and circumstances beyond our control may negatively impact these recovery times and though we have plans in place, we cannot guarantee that we will be successful in achieving recovery in the times noted above. For example, we may not be able to implement a plan during a disaster as quickly as we expect, or there may be disasters that we have been unable to anticipate and for which we have no plan. Additionally, if parts of our plan are dependent upon third parties, we have no control over the success or failure of the third party to respond appropriately to the challenges posed at the time of the disaster.

As our customer, you may have your accounts held at a clearing firm. It is important to note that should the business continuity our firm be interrupted and you find you are unable to get through to your representative; the following information is provided for those emergency situations. Please contact the custodian of record listed on your account statements.

### **National Financial Services, LLC** **Business Continuity Statement**

As you may know, Kestra IS and National Financial Services LLC (NFS) have an agreement in which NFS may provide trade execution, clearing and other related services for your brokerage account. In connection with these services, NFS is required to communicate its position on business continuity practices. At NFS, we recognize how heavily you and your broker/dealer rely on our systems and services. We also recognize that the unexpected can and does occur—from simple situations to major outages. NFS has successfully supported critical business activities during disruptions of normal business processes resulting from hurricanes, tornados, blizzards, and other natural and man-made disasters. NFS wants you to know that we have an extensive plan in place to safeguard your assets and protect vital account information in the event of a business disruption.