

**Broadridge Business Process Outsourcing, LLC**  
**Business Continuity Plan Disclosure**

**I. Summary**

In accordance with FINRA Rule 4370, Broadridge Business Process Outsourcing, LLC (the “Firm”) is providing you with the following disclosure statement that describes in general how our Firm will respond to events that may significantly disrupt our business. Our Firm is committed to protecting its employees and its institutional customers (the “Customers”) through its dedication to business continuity management (“Business Continuity”) in accordance with FINRA rules. Business Continuity is mandated by regulatory rules; corporate policy; developed and tested regularly by the Firm’s technology team that is comprised of full-time staff with expertise in this field. This document shall serve as an executive summary of the Firm’s Business Continuity Plan and is also available on the Firm’s website.

**II. Firm Policy**

Our Business Continuity Plan (BCP) anticipates two kinds of broad Significant Business Disruption (SBD)’s; internal and external. In each instance, we will exhibit readiness and preparedness to the situation.

- Internal SBD’s affect only our firm’s ability to communicate and do business, i.e. loss of primary facilities or data center, pandemic flu.
- External SBD’s prevent the operation of the securities markets or a number of firms, such as a terrorist attack, pandemic flu, a city flood, or a wide-scale, regional disruption. Our response to an external SBD depends more heavily on other organizations and systems.

We have two approaches to providing our Customers with continued service at the time of an SBD. The first approach deals with shifting resources between our five hot locations including our offshore facilities. The second approach is to have selected employees work remotely.

- Safeguarding employees’ lives and firm property.
- Safeguarding customer assets.
- Supporting our Customers.
- Comply with industry regulations.
- Conducting a financial and operational assessment.
- Quickly recovering and resuming operations.
- Protecting our client’s books and records, and allowing the customers to transact required business.
- Ensure critical functions can be recovered within required guidelines.

### **III. Recovery Strategy**

We have several approaches which enable us to ensure our outsourcing Customers have required recovery or continued service for mission critical activities:

- We maintain five hot locations (Journal Square, Edgewood, Mt. Laurel, Hyderabad and New Delhi) where work is performed and resources can be immediately shifted.
- We have an offshore operation which supports many of our core functions and is in operation 5 days/week for 19 – 21 hours/day.
- US associates have the ability to work remotely.
- Our Customers have established supervisory office capability with technical experts who can assume certain activities for a brief period of time. Additionally, our Customers have middle-office operations and retained selected operational functions they would be able to temporarily support certain activities as well as provide temporary space for our staff that supports their business.

We have identified various possible business interruption scenarios and have established plans to ensure mission critical functions will be performed or recovered within a specified period of time based on client requirements. Scenarios include but are not limited to:

- Loss of our facilities.
- % of staff unable to get to work, i.e. pandemic flu.
- System outage.
- Industry or Exchange issues.
- Non Industry disasters.

“Mission critical functions” are those that require 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. All such functions will be treated in a time sensitive manner, in compliance with regulatory and client requirements while mitigating market risk to both the firm and our Customers.

### **IV. Operation Locations:**

#### **Outsourcing Division**

Our Outsourcing division mitigates the risk of losing a facility and certain other scenarios by maintaining five primary distinct hot locations. “Mission critical functions” can be performed out of all locations to safeguard against interruptions.

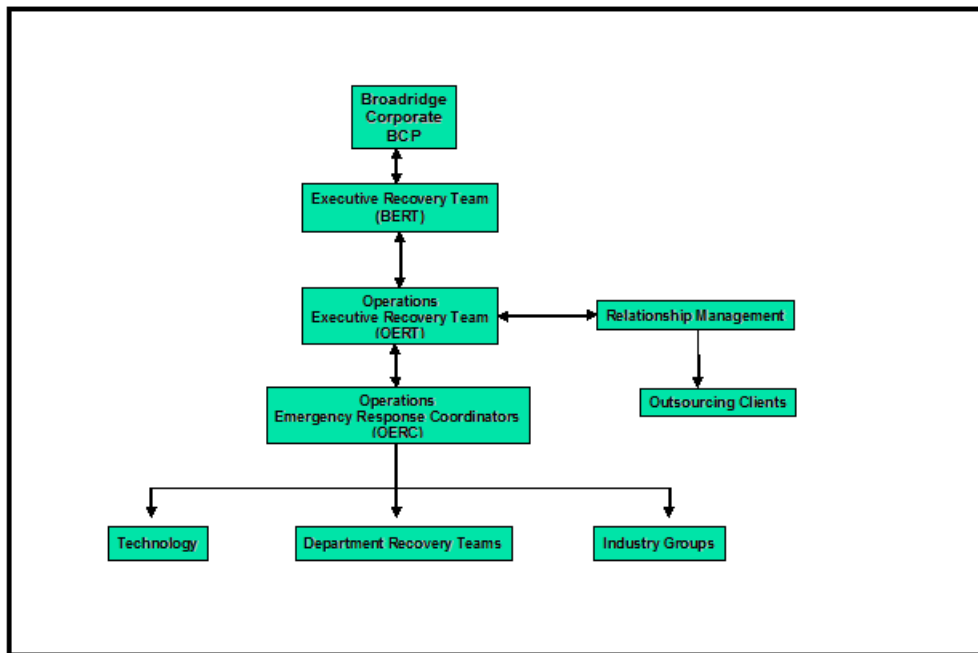
- Long Island Location (Edgewood) (Hot Site).
- New Jersey Locations (JSQ and MTL) (Hot Site).
- India Offshore (Hyderabad and New Delhi). (Hot Sites)

Additionally, we have remote access for US staff, ability to temporarily shift work within Broadridge BPO or shift work to Customers and other BR locations e.g. Edgewood.

## V. BCP Structure:

We have established formal governance, planning and escalation processes designed to:

- Provide an organized and integrated response to an event.
- Provide prompt and appropriate response to an event to reduce impact and mitigate risk.
- Recover critical operation functions in a timely manner.
- Ensure our plans are periodically reviewed and tested.
- Ensure organization is continually improving and responds to environment changes.
- Communicate effectively with our associates, Customers and other key stakeholders.



### **Broadridge Business Process Outsourcing Executive Recovery Team (BERT) Firm-wide Executives**

- Coordinate overall business response and recovery.
- Coordinate and formulate communication strategy (Corporate, employees, vendors, customers, media, regulators, other key partners).
- Conduct financial and regulatory assessment.
- Determine overall firm wide strategy and policies.
- Executive decision making e.g. declare event and define scenarios.
- Respond to escalated issues.
- Conduct post-mortem.
- Interface with Corporate executives.

### **Operations Executive Recovery Team (OERT)**

- Coordinate overall Operations recovery, response and assessment activities.
- Regularly evaluate and update BCP strategies including test results, readiness metrics and impact of new procedures, processes and policies.
- Identify client, employee, vendor, technology, facility, financial and regulatory impact.
- Communicate with staff, Customers and key parties e.g. India, vendors, RM's.
- Ensure ongoing testing and organization readiness.
- Implement decisions and policies from BERT.
- Escalate impact, issues etc. to BERT.
- Identify industry impact/decisions and participate in meetings/ conference calls.
- Conduct post-mortem.
- Formulate and coordinate ongoing strategies, policies and decisions.
- Maintain and periodically test calling trees and remote access.
- Test and update plan including participation in technology and industry testing.

### **Operations Emergency Response Coordinators (OERC)**

- Coordinate Operations recovery, response and assessment activities.
- Interact and communicate with Corporate BCP, OERT and Operations recovery coordinators.
- Conduct post-mortem.
- Maintain BCP documentation including defining mission critical activities and recovery times.
- Ensure ongoing Operations readiness including staff training.
- Educate staff, key partners and Customers.
- Participate in Industry conference calls.
- Monitor and publish financial, regulatory and other key metrics.
- Prepare and review readiness metrics.
- Determine client processing requirements and interim work rules e.g. delay non-critical activity, set business standards and recovery times.
- Plan and coordinate organization tests and readiness drills.
- Define ongoing and event specific requirements.

## **VI. Notifications:**

### **Customer**

Each Customer has a representative in Relationship Management or a Customer Service Specialist that will be responsible for communication. Conference calls will be conducted as needed to provide updates, coordinate activities and monitor issues.

#### **Internal Notification**

- Recovery and Response teams are activated.
- Firm wide calling tree will be engaged.
- Employee BCP hotline will be updated.

We also rely on all of our Customers to provide us with a list of key contact persons to ensure a proper flow of communication. This list will be periodically updated.

### **Critical Business Constituent, Bank and Counter-Party Impact**

We will contact our critical business constituents, banks, and counter-parties to determine alternate arrangements to continue our operational activities during disruptive events. During any disruptive event, we will again contact all of these critical entities, rapidly assess the extent and expected duration of any outages to operational resources and infrastructure, and implement these alternate arrangements.

### **Regulatory Reporting**

The Firm is subject to regulation by the Securities and Exchange Commission and the Financial Industry Regulatory Authority for work that it is performing as a securities brokerage firm on behalf of its Customers. The Firm files reports with our regulators using paper copies in the U.S. Mail, and electronically using facsimile, email and FINRA's web-based regulatory filing system. During any disruptive event, we will determine from communications received from our regulators what means of filing are still available to our Firm, and use the means closest in speed and form to our previous method.

## **VII. Planning and Ongoing Readiness**

- During our conversion process, we will work with our customers to:
  - Define mission critical activities, activities which can be delayed and activities which can be temporarily suspended as well as recovery times.
  - Determine resources required to support mission critical activities as well as identify staff (at client and Broadridge BPO) who can perform those functions.
  - Determine locations with available space where functions can be performed including remote access and client locations.

- Define self-clearing firm's ability to bring work in-house on temporary basis.
- Understand client's firm requirements and testing schedule.
- Establish escalation process and calling trees.
- Document BCP plan.
- Ensure our actions are integrated with your corporate strategy.
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After the conversion process, we will perform the following activities on a periodic (at least annual) basis:

- Conduct integrated calling tree drills.
- Update and publish contact lists.
- Review and update the BCP plan.
- Conduct internal tests by shifting work, rotating staff or conducting desktop exercises.
- Participate as required in industry, technology and firm testing.
- Conduct planning and training sessions with our staff.