

## Business Continuity Plan (BCP)

*Established September 2018*

*Revised May 2019*

*Revised March 2020*

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### Purpose

The purpose of this Business Continuity Plan (BCP) is to document the plans for the recovery of our critical business functions and systems in the event of a business disruption, whether internal or external.

### Firm Policy

Our firm 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 clients to transact business. In the event we are unable to continue our business, we will direct our clients to Charles Schwab & Co. for emergency assistance and access to their funds.

### Emergency Contact Person

Our firm's emergency contact person is:

Angela D. Sheppard, Chief Compliance Officer

Office Phone: 864-467-9800

Email: [angela.sheppard@nnpwealth.com](mailto:angela.sheppard@nnpwealth.com)

The following representatives of Nachman Norwood & Parrott (NNP) are appointed to serve on the Disaster Recovery Plan Team: Chief Compliance Officer (CCO), Director of Operations, Technology Committee Chair Person, and the Company President. The firm's emergency contact persons will be updated in the event of a material change, and our CCO will review them annually to ensure they are up to date.

### Approval and Execution Authority

The firm's Executive Committee is responsible for approving the plan. The CCO shall conduct periodic reviews of the plan. The CCO shall execute the plan and conduct periodic reviews.

### Plan Location and Access

An electronic copy of our plan is saved on the firm's cloud-based server as well as on the company website: [www.nnpwealth.com](http://www.nnpwealth.com). The members of the Disaster Recovery Plan Team will also maintain a printed copy of the BCP offsite.

### Business Description/Location

Nachman Norwood & Parrott Wealth Management Consultancy (NNP) is a Registered Investment Advisor (RIA) regulated by the Securities Exchange Commission. NNP is the advisor to high net worth individuals and qualified retirement plans. The firm's custodian for RIA accounts is:

Charles Schwab & Co.

211 Main Street

San Francisco, CA 94105

Phone: 800-515-2157

Our firm's office is located at 1116 S. Main Street, Greenville, SC 29601. The main phone number is 864-467-9800.

#### Alternative Physical Location(s) of Employees

In the event of an SBD, our staff has the ability to communicate with one another by cell phone, instant messaging, and email. If necessary, associates can work remotely until a safe, suitable alternative location can be established. The post office will be instructed to forward all mail to the address of the determined alternate location.

#### Customers' Access to Funds and Securities

Our firm does not maintain custody of customers' funds or securities. The custodian of all client assets is Charles Schwab & Co. In the event of an SBD, if phone service is available, our team members will take client orders or instructions and contact our custodian on their behalf. The custodian maintains its own BCP, and in the event of an SBD, we will work with our clients to make them aware of the BCP and help them navigate the processes to access their funds and securities. Charles Schwab & Co. BCP is attached separately.

#### Data Back-Up and Recovery

All client information (such as name, address, phone, date of birth, social security number, and specific account information including account numbers and positions) are stored in the firm's client database and/or with the custodian. NNP original client documents as well as NNP financial information is saved on our server, which is stored in the cloud and backed up every 8 hours. Backups are performed over the internet. Data is encrypted during each backup and stored in the cloud at StorageCraft where the data is again encrypted. Operational client documents are transmitted to the custodian electronically. Unless original hard copy documents are required to be obtained, original documents are shredded and the records are maintained in electronic format. Email data is stored by Global Relay, a third-party vendor. For the loss of electronic records, we will recover data from the cloud via our IT provider, Palmetto Technology Group.

### Financial and Operational Assessments

#### Operational

In the event of an SBD, NNP will immediately identify the means that will permit us to communicate with our clients, employees, custodian, and critical business constituents. Although the effects of an SBD will determine the means of alternative communication, the communication options employed will include the firm website, phone and voicemail, secure email, physical mail, etc. In addition, we will retrieve our key activity records as described in the Data Back-Up and Recovery section above.

#### 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 service our clients. We will contact our custodian, clients, CPA, and bank to apprise them of our financial status as appropriate. 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 funding from our bank or other credit sources. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take the appropriate steps.

## Mission Critical Systems

NNP'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 client accounts, access to client accounts and the delivery of funds and securities. These systems are maintained by Charles Schwab & Co. as our custodian for RIA accounts.

### Order Taking/Order Entry

Currently we receive trade instructions from clients via phone or in person, and our firm enters orders electronically. During either an external or internal SBD, we will continue to take those instructions through any of the aforementioned methods that are available and advise our clients accordingly. If clients are unable to communicate with us, they may communicate orders and instructions to our custodian, Charles Schwab & Co., directly at 800-515-2157.

### Order Execution

Nachman Norwood & Parrott does not execute client orders. Execution of orders is performed by Charles Schwab & Co. as the custodian for our RIA accounts. Our firm relies, by contract, on our custodian to provide order execution, order comparison, order allocation, customer account maintenance and/or access and delivery of RIA funds and securities.

## Alternate Communications Between the Firm and Clients, Employees, and Regulators

### Clients

Currently we communicate with our clients via phone, email, our website, fax, US mail and in-person visits. In the event of an SBD, we will determine which means of communication are still available and use the means closest in speed and form that we have used in the past to communicate with other parties. For example, if we have communicated with a party by email but the internet is unavailable, we will call him/her on the phone and follow up with a paper copy where a record is needed. Should we have phone communication, the office greeting will be updated to instruct callers to select an extension for the employee they are trying to reach. Each employee's extension will be forwarded to his/her cell phone. Changes to our office phone greeting can be completed remotely.

### Employees

Currently we communicate with our employees via phone, instant messaging, email and in person. In the event of an SBD, we will employ a group text message so that senior management can reach all employees quickly.

The person to invoke use of a group text is: Director of Operations.

### Regulators

We are currently regulated by the Securities Exchange Commission (SEC). We file reports with our regulators electronically and by US mail when required. In the event of an SBD, we will check with the SEC to determine which means of filing are still available and use the means closest in speed and form 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. SEC contact: (800) SEC-0330.

## Critical Business Constituents, Banks, and Counter-Parties

### Business Constituents

Critical business constituents are businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services. 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. Our major suppliers are:

Custodian	Charles Schwab & Co.	800-515-2157
IT	Palmetto Technology Group	864-552-1291
Internet and Phones	Spirit Communications	864-517-1200
Multi-function Printers	G5	864-675-5755
Insurance	Hanover Insurance Co.	800-628-0250
Payroll	Performance HCM	864-351-2030
CPA	Bradshaw Gordon & Clinkscapes	864-233-0590

### Banks

We have contacted our bank and lenders to determine that they can continue to provide the financing that we will need in the event of a SBD.

Nachman Norwood & Parrott maintains an open line of credit with County bank that can be accessed in the event of a working capital need.

### Annual Testing

The firm will conduct a comprehensive test of the BCP on an annual basis and the results of the test will be documented and retained on file. The CCO will have the responsibility for testing and documenting actual implementation of the BCP. The items tested during the annual testing process will include 1) access to the internet from the alternate location, 2) access to the various services providers, 3) the ability to forward phones to cell phones, and 4) the integrity of backup services.

### Disclosure of Business Continuity Plan

We post our BCP on our website, and we offer to provide it at no charge to our clients upon request.

### Updates and Annual Review

NNP will update this plan whenever we have a material change to our operations, structure, business or location or to those of our custodian. Additionally, our firm will review this BCP annually and make any necessary adjustments.

For more information regarding our Business Continuity Plan, you may contact us at 864-467-9800 or via email at [info@nnpwealth.com](mailto:info@nnpwealth.com).

# Business Continuity

## Schwab's Business Continuity and Contingency Planning

Securities industry regulations require that brokerage firms inform their clients of their plans to address the possibility of a business disruption that potentially results from power outages, natural disasters, or other events. Charles Schwab & Co., Inc. has a comprehensive business continuity program in place, which is reviewed, updated, and tested on a regular basis. The program provides for continuation of client service within minutes in most cases.

Here are a few examples of what might occur if Schwab were to experience a business disruption of varying magnitude:

- If one of our telephone service centers became unavailable for any reason, calls would be immediately rerouted to our other service centers across the country.
- If we had a power outage in a particular region or business district, telephone and electronic communications would be immediately and seamlessly re-routed to alternate locations for the duration of the outage.
- In the event of a public health crisis that resulted in a high rate of employee absenteeism, Schwab would focus available personnel on critical business functions that directly support client needs. Additionally, we would enact our workforce continuity plan which includes social distancing and other policies to limit exposure.
- Comprehensive plans are maintained to facilitate timely restoration of account services in the unlikely event of a technology disruption. These plans are tested regularly to ensure their viability.

While no contingency plan can eliminate all risk of service interruption or temporarily impeded account access, we continually assess and update our plans to mitigate all reasonable risk.

This disclosure is subject to modification.

### **Brokerage Products: Not FDIC Insured • No Bank Guarantee • May Lose Value**

The Charles Schwab Corporation provides a full range of brokerage, banking and financial advisory services through its operating subsidiaries. Its broker-dealer subsidiary, Charles Schwab & Co., Inc. ([member SIPC](#)), offers investment services and products, including Schwab brokerage accounts. Its banking subsidiary, Charles Schwab Bank (member FDIC and an Equal Housing Lender), provides deposit and lending services and products. Access to Electronic Services may be limited or unavailable during periods of peak demand, market volatility, systems upgrade, maintenance, or for other reasons.

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