

## **BUSINESS CONTINUITY PLAN FOR MING LO**

### **I. Purpose and Advisor Policy**

Ming Te Lo (“Advisor”) has adopted this Business Continuity Plan (“BCP”) pursuant to the Investment Advisers Act and the rules and guidance of the U.S. Securities and Exchange Commission (“SEC”) and/or the laws of the state of California.

The purpose of this BCP is to define the strategies and plans that will be used by Advisor during a significant business disruption (“SBD”). An SBD includes any event or situation that significantly impacts the Advisor’s ability to provide advisory services to its clients. The BCP outlines the Advisor’s procedures designed to ensure that critical business functions can continue during and after an SBD and that the Advisor can resume operations as quickly as possible after an SBD. The BCP is prepared to address both internal SBDs, such as a fire in Advisor’s building or the death of key personnel, and external SBDs, such as a natural disaster, terrorist attack, or citywide power disruption. It is also designed to address SBDs of different severities.

In the event of an SBD, it is Advisor’s policy to do the following to the extent reasonable and practical under the circumstances:

- Safeguard employee lives and firm property;
- Make a financial and operational assessment;
- Promptly recover and resume operations;
- Protect the firm’s books and records; and
- Communicate with its customers and allow them to transact business.

Although the firm does not maintain custody of customer assets, in the event of an SBD, Advisor will assist customers to access their assets at the brokers that have custody of the assets. In the case of an external SBD, Advisor’s ability to react will depend heavily on access to other organizations and systems, such as the availability of electricity, telephones, Internet and transportation.

In creating this BCP, the Advisor has assumed that the firm’s designated alternate office will be available, that Advisor has sufficient personnel, and that government agencies and market systems are operational during and after the SBD. If any of these assumptions are incorrect, the Advisor’s business could be disrupted until matters are resolved. No contingency plan can eliminate all risk of service interruption but Advisor will continue to assess and update its plans to mitigate all reasonable risks.

## **II. Plan Approval, Review, Location and Disbursement**

### **A. Approval and Review of Plan**

The BCP will be reviewed annually to determine whether any modifications are necessary in light of changes to Advisor's operations, structure, business or location or new regulatory requirements.

Ming Lo, owner, is responsible for approving the plan and for conducting annual reviews. During the fourth quarter of each fiscal year, Ming Lo will review the Advisor's BCP to determine whether any revisions are needed, and will revise the BCP if necessary to ensure it meets the firm's needs and regulatory requirements. An updated copy of the BCP will be distributed to all of Advisor's employees within forty-eight (48) hours of any amendment.

Advisor will also test the Business Continuity Plan to identify any weaknesses and gaps at least annually. This may include testing of areas such as: accessing back-up records; hardware functions at the alternate business location; verification of current contact information and any designated duties for employees, clients and business partners; verification of vendors, service providers, software and equipment; and conforming the firm's business practices to the BCP and regulatory requirements.

### **B. Plan Location and Access**

Advisor will maintain copies of its BCP, the annual reviews, and any revisions made to the plan. An electronic copy of Advisor's BCP is located on Dropbox in the file Investment Advisory under the account of Ming Lo.

### **C. Disbursement of Plan**

All employees of Advisor will review the BCP upon beginning their employment. When the BCP is updated, all employees will review the revised plan. The Advisor will periodically train all its employees on the BCP's requirements.

## **III. Key Personnel and Succession Plan**

Advisor's key personnel and persons responsible for executing this BCP in the event of an SBD are:

Ming Lo, Owner, [mtlo@post.harvard.edu](mailto:mtlo@post.harvard.edu), 310 429-6464.

In the event that these key personnel die or become incapacitated or otherwise unavailable, the following persons are authorized to execute this BCP and carry on Advisor's business and/or wind down the business:

(1) Peter Lo, brother of adviser, 4 Persimmon Drive, Sewell, NJ 08080, [peterlo@comcast.net](mailto:peterlo@comcast.net), 856 261-8601.

(2) Monica Lo, niece of adviser, 1124 North 3<sup>rd</sup> Street, Philadelphia, PA 19123, [mlo@villanova.edu](mailto:mlo@villanova.edu), 856 430-3606.

These persons have been trained on how to execute the provisions of the BCP and carry on Advisor's business and/or wind down the business. At the present time, the Advisor's plan, in case he is incapacitated, is to return account management to clients and to wind down the firm.

#### **IV. Business Description**

Advisor is a state-registered advisor that transacts business in public equity and derivative securities. Advisor provides analysis and advice on securities by making direct or indirect recommendations to clients or by providing research or opinions on securities or securities markets. Advisor is compensated for providing this analysis and advice. Advisor is also authorized to execute trades in customer's accounts on their behalf. Advisor primarily serves individuals.

Advisor sends all public securities transactions to executing brokers, which process and settle its orders. The brokers also maintain our customers' accounts, provides customers access to them, and delivers funds and securities. Advisor does not act as a broker and does not hold client funds or securities.

#### **V. Office Location**

Advisor's primary office is located at 1629 S. Brockton Ave. #7, Los Angeles, CA 90025. The main telephone number is 310 442-7667. Employees travel to that office by means of auto or public transportation. Advisor engages in client interactions, order execution and keeping of books and records at the primary office.

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

In the event of an SBD, Advisor will move its staff from the affected office(s) to a local hotel. The main telephone number at the alternate location is 310 429-6464, the Advisor's cell phone number. If Advisor cannot return to its primary office within a reasonable amount of time following the SBD, it will evaluate whether to permanently move to a new primary office location.

In the event of an SBD involving widespread lack of telecommunications, transportation, electricity, office space, fuel and water, Advisor will consider its employees' ability to work remotely during the SBD, as well as how employees may work in the absence of telephone and/or Internet access if necessary.

## **VII. Customer Access to Funds and Securities**

Advisor does not hold customer funds or securities. Customer funds and securities are held with

- (1) Interactive Brokers, principal offices One Pickwick Plaza, Greenwich, CT 06830, office number (203) 618-5800; customer service number (877) 442-2757, [www.interactivebrokers.com](http://www.interactivebrokers.com); and
- (2) TD Ameritrade, Santa Monica Branch, 801 Wilshire blvd., Santa Monica, CA 90401, branch number (310) 309-4149; customer service number (800) 669-3900, [www.tdameritrade.com](http://www.tdameritrade.com).

and customers have access to those funds and securities independent of Advisor. The business continuity plan of the brokers is available on their websites.

In the event of an SBD, Advisor will continue to handle customer assets as it did before the SBD to the extent possible based on the availability of Interactive Brokers' and TD Ameritrade's platforms.<sup>1</sup> The custodian institutions have platforms that should allow Advisor to continue managing customer accounts in the event of an SBD.

## **VIII. Data Back-Up and Recovery (Hard Copy and Electronic)**

Advisor maintains its primary hard copy books and records and its electronic records at 1629 S. Brockton Ave. #7, Los Angeles, CA 90025. Ming Lo, owner, (310) 429-6464 is responsible for the maintenance of these primary books and records. Advisor maintains the following document types and forms that are not transmitted to custodian institutions: client agreements with Advisor and records of payment to Advisor.

Advisor maintains its back-up hard copy books and records in the cloud via Dropbox and Carbonite. These records are digital. Ming Lo, owner, (310) 429-6464 is responsible for the maintenance of these back-up books and records. Advisor backs up its paper records by copying them and uploading them to the cloud. Advisor backs up its paper records every quarter.

Advisor backs up its electronic records daily via cloud services, and keeps copies in the cloud.

In the event of an SBD that causes the loss of paper records, Advisor will recover them from the cloud. For the loss of electronic records, Advisor will recover the digital records from a secondary vendor.

## **IX. Operational and Financial Assessments in the Event of an SBD**

### **A. Operational Risk**

In the event of an SBD, Advisor will immediately assess and identify what means will permit it to communicate with customers, employees, regulators, any custodian institution(s) holding customer funds and securities, and critical business constituents and counterparties. Although the impact of an SBD will determine the means of alternative communication, Advisor may employ website, telephone voice mail, secure email and text. In addition, Advisor will retrieve key activity records as described in Section VIII, above, Data Back-Up and Recovery (Hard Copy and Electronic).

### **B. Financial and Credit Risk**

In the event of an SBD, Advisor will determine its financial ability to continue to operate and service its customers. Advisor will contact the custodian firm, clients and critical banks to apprise them of its financial status. If Advisor determines that it is unable to fund its operations, it will request additional financing from its bank or other credit sources to fulfill its obligations to customers.

## **X. Critical Systems**

Advisor's critical systems are those that: (i) allow Advisor prompt and accurate access to client accounts and records, (ii) allow Advisor to communicate investment advice and analysis to customers, and (iii) allow Advisor to receive and transmit orders from or on behalf of customers to the custodian institutions for execution.

Advisor has primary responsibility for establishing and maintaining business relationships with customers and transmitting orders from or on behalf of customers to the above custodian institutions for execution. The custodian institutions have the responsibility to receive, execute, clear and settle orders from Advisor or its customers.

Advisor has received and reviewed a copy of the business continuity plan of the custodian institutions. The custodian institutions have represented that they will advise Advisor of any material changes in its business continuity plan that might affect Advisor's ability to maintain its business.

## **XI. Critical Business Constituents, Banks and Counterparties**

Advisor has contacted its critical business constituents (businesses with which it has an ongoing commercial relationship in support of its operating activities, such as vendors and banks), and determined the extent to which Advisor can continue its business relationship with them in light of an SBD. Advisor will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when needed. Advisor's critical business constituents are the above-mentioned custodian institutions.

Advisor requires all of its service providers to provide it with copies of their Business Continuity Plans.

Advisor has also contacted its critical counterparties, such as broker-dealers or institutional customers, to determine if Advisor will be able to carry out its transactions with them in light of an internal or external SBD. Where transactions cannot be completed, Advisor will work with its clearing firm or contact those counterparties directly to make alternative arrangements to complete transactions as soon as possible.

## **XII. Communication of SBD to Other Parties**

In the event of an SBD, including the death or unavailability of key personnel, the persons executing this BCP will determine the persons that need to be notified about the SBD, including employees, customers, regulators, custodians, and critical business constituents. The persons who need to be notified, and how, will vary with the circumstances of the SBD.

During an SBD, Advisor will ensure, to the extent possible, that its website reflects the firm's operational status and contact information. Advisor may place status messages on its website indicating to customers, for instance, the nature of the SBD or the status of its services to customers.

## **XIII. Alternative Communications Plans**

### **A. Customers**

Advisor now communicates with customers using telephone, email, website, fax, U.S. mail, in-person visits and text. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form (written or oral) to the means that Advisor used in the past to communicate with the other party. For example, if Advisor has primarily communicated with a party by email, but the Internet is unavailable, Advisor will call the customer on the telephone and follow up where a record is needed with paper copy in the U.S. mail.

In the case of an expected SBD, such as a forecasted storm, Advisor will consider proactively contacting customers (for instance, by email blast) to determine whether they need to execute any transactions (e.g., fund transfer, wire instructions, closing out positions) in case of an extended outage.

### **B. Employees**

Advisor now communicates with any employees using telephone, email, website, fax, U.S. mail, in-person visits and text. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and

form (written or oral) to the means that Advisor has used in the past to communicate with the other party.

In the event of an SBD, Advisor may use social media, such as Facebook, or text for central messaging and employee communications.

Advisor may also employ a call tree so that senior management can reach all employees quickly during an SBD if email and cellular phones (including texting) is not available. The call tree includes all staff home, office and cell phone numbers. In creating the call tree, Advisor has identified persons who live near each other and may reach each other in person. The person to invoke use of the call tree is Ming Lo.

### **C. Regulators**

Advisor is currently registered as an investment advisory firm with the California Department of Business Oversight (DBO). Advisor currently reports to the DBO. Advisor is also a member of the self-regulatory organization (SRO) FINRA and is regulated by FINRA. Advisor communicates with its regulators using telephone, email, website, fax, U.S. mail, and in-person visits. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form (written or oral) to the means that Advisor has used in the past to communicate with the other party, including to make any necessary filings, disclosures, etc.

In the event that Advisor cannot contact its regulators, it will continue to file required reports to the extent possible using the communication means available to it. Contact information for Advisor's regulators are as follows:

- (1) DBO, 300 S. Spring Street, Suite 15513, Los Angeles, CA 90013, (213) 897-2085.
- (2) FINRA, 1735 K Street, NW, Washington, DC, 20006, (301) 590-6500.

In the event of an SBD, FINRA will be responsible for ensuring that the Advisor has access to the Investment Adviser Registration Depository (IARD) system, the electronic filing system that facilitates investment advisor registration, and that all appropriate Form ADV filings, including annual and interim amendments, are made and maintained.

In the event of a formal or informal inquiry made by any federal or state regulatory agency during an SBD, Ming Lo, owner, (310) 429-6464 will be responsible for receiving all calls and/or all other requests for further review.

### **D. Custodians**

Interactive Brokers and TD Ameritrade currently hold the funds and/or securities of Advisor's customers. Advisor currently communicates with these institutions using telephone, email, website, fax, U.S. mail, in-person visits and chat. In the event of an

SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form (written or oral) to the means that Advisor has used in the past to communicate with the custodians.

**E. Critical Business Constituents, Banks and Counterparties**

Advisor now communicates with its critical business constituents using telephone, email, website, fax, U.S. mail and in-person visits. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form (written or oral) to the means that Advisor has used in the past to communicate with the other party.

**XIV. Disclosure of Business Continuity Plan**

Customers will receive a copy of a BCP summary disclosure statement when they open their accounts with Advisor and annually thereafter, if applicable. A copy of the BCP summary disclosure is attached to the BCP. Advisor also posts its BCP on its website located at [www.minglo.com](http://www.minglo.com) and will mail it to customers upon request.

## **SAMPLE BUSINESS CONTINUITY PLAN DISCLOSURE STATEMENT**

Ming Te Lo (“Advisor”) has adopted a Business Continuity Plan (“BCP”) pursuant to the Investment Advisers Act and the rules and guidance of the U.S. Securities and Exchange Commission (“SEC”) and/or the laws of the states where the Advisor is registered. The purpose of the BCP is to define the strategies and plans that will be used by Advisor during a significant business disruption (“SBD”). The BCP is prepared to address both internal SBDs, such as a fire in Advisor’s building, and external SBDs, such as a natural disaster, terrorist attack, or citywide power disruption.

### **Our Business Continuity Plan**

In the event of an SBD, Advisor will safeguard employee lives and firm property. Advisor will work to re-establish the systems necessary to quickly recover and resume operations, protect Advisor’s books and records and allow Advisor’s customers to transact business to the extent reasonable and practical under the circumstances. Advisor’s BCP addresses: alternate office locations, customer access to funds and securities, financial and operational assessments, data backup and recovery, critical systems, alternative communications with customers, employees, and regulators, and critical business constituents.

### **Contacting Advisor and Accessing Funds and Securities**

If you are not able to contact Advisor through our regular telephone number (310) 442-7667, please contact us at our alternate number (310) 429-6464 (cell). For questions relating directly to accessing your funds and securities, please contact your custodian institution:

- (1) Interactive Brokers, principal offices One Pickwick Plaza, Greenwich, CT 06830, office number (203) 618-5800; customer service number (877) 442-2757, [www.interactivebrokers.com](http://www.interactivebrokers.com); and
- (2) TD Ameritrade, Santa Monica Branch, 801 Wilshire blvd., Santa Monica, CA 90401, branch number (310) 309-4149; customer service number (800) 669-3900, [www.tdameritrade.com](http://www.tdameritrade.com).

### **Varying Disruptions**

SBDs can vary in their scope, from only our firm to a single building housing our firm, the business district where our firm is located, the city where we are located, or the 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 intend to transfer our operations to a local site when needed and expect to recover and resume business within a four-hour time period. In a disruption affecting our business district, city, or region, we intend to transfer our operations to a site outside the affected area, and recover and resume business within a 24-hour time period. In either situation, we plan to continue in business. However, the ability of Advisor to fully function is

dependent on outside sources outside of its control, including the availability of electricity, telephones, Internet, transportation, and the functioning of institutions and markets worldwide. Nothing in Advisor's BCP or this disclosure statement is intended to provide a guarantee or warranty regarding the actions or performance of Advisor.

### **Additional Information**

If you have questions about our business continuity planning, please contact us at (310) 429-6464.