

## CAPTRUST Financial Advisors Business Continuity Plan Disclosure

CapFinancial Partners, LLC, doing business as CAPTRUST Financial Advisors, ("CAPTRUST") is a federally registered investment adviser with an affiliated broker that utilizes the clearing and custodial services of Pershing, LLC ("Pershing"). For many CAPTRUST Advisory Clients, Pershing provides custody, back-office and trade support, for CAPTRUST, so for most CAPTRUST wealth advisory clients, account(s) and assets are maintained and custodied by Pershing; however, some CAPTRUST wealth advisory clients, have elected to have their accounts and assets are maintained and custodied at Fidelity Institutional Brokerage Services, Charles Schwab & Co., Inc and/or TD Ameritrade. Plan Clients' assets are maintained at their respective custodians as selected by each Plan Client. However, Freedom401k Plan Clients accounts and assets are maintained and custodied at Fidelity Institutional Brokerage.

CAPTRUST summarizes the manner in which CAPTRUST's Business Continuity Plan ("BCP") addresses the possibility of significant business disruptions ("SBD"). Accordingly, CAPTRUST furnishes this document to clients in order to provide information about our efforts to minimize the impact of an emergency, business disruption or disaster on the business of CAPTRUST.

In general, industry regulations require firms to create and maintain a business continuity plan reasonably designed to meet its obligations to its clients or other counter-parties. In accordance with these requirements, CAPTRUST has designed a business continuity plan to address possible scenarios in efforts to minimize any service impact to our clients.

In keeping with the regulatory requirements, the business continuity plan for CAPTRUST is designed to address key areas of concern - including but not limited to the following:

- Data back-up and recovery;
- Mission critical systems;
- Financial and operational assessments;
- Alternate means of communication between CAPTRUST and its clients;
- Alternate means of communication between CAPTRUST and its employees;
- Alternate physical locations of employees;
- Critical business constituent, bank and counter-party impact;
- Regulatory reporting;
- Communications with regulators; and
- How CAPTRUST will ensure that customers have access to their funds and securities in the event CAPTRUST determines it is unable to continue its business.

Since events creating business disruptions may vary in nature and scope, CAPTRUST has anticipated scenarios in which the following are affected:

- A primary CAPTRUST building at its headquarter location
- A CAPTRUST branch location
- A city wide area
- A regional area

Regardless of the scope of potential disruption, CAPTRUST intends to continue to provide service to its clients.

In the event of a significant business disruption, where the primary building or business district is located, we will move our staff from affected offices to the closest of our unaffected offices. The firm has several other locations from which to conduct business. Therefore, should the primary building or business district be affected by a disruption, the other locations can be used to help restore operations.

In the unlikely event of a citywide or regional disruption, several of CAPTRUST's other locations ("established recovery sites") are in other cities relatively close in proximity. The first established recovery site is approximately 4 miles from its headquarters and is located within Tierpoint's data center in Raleigh. The second is approximately 170 miles from its headquarters (in Charlotte NC) and the other is approximately 400 miles (Atlanta GA). All alternate locations can be used to restore time sensitive functions as soon as key employees are relocated to the facility. In the event that any such disruption occurs, we have developed alternative service arrangements, systems, locations and contingency plans to ensure that any service is quickly restored.

CAPTRUST has identified several computer applications with Mission Critical or High criticality ratings and has documented this within the business continuity plan.

Some Mission Critical systems such as computer applications are proprietary to services providers such as Pershing (providing clearing and custodial services to CAPTRUST Wealth Clients). Pershing regularly performs disaster recovery testing and reports results to CAPTRUST. Pershing provides an annual BCP disclosure to CAPTRUST clients. Clients may reach Pershing directly at (201) 413-3635 for recorded instructions during a significant business disruption.

For those CAPTRUST Clients who are utilizing Fidelity as custodian:

Although CAPTRUST recognizes Fidelity as a Critical Business Constituent, Fidelity's proprietary web-based platform permits access to your account remotely regardless of a business local, city-wide or regional disruption. For a summary of Fidelity's Business Continuity Plan, please call CAPTRUST at (800) 216-0645 or you may reach Fidelity directly at 800-343-3548. Client may access their accounts by logging into [www.fidelity.com](http://www.fidelity.com).

### **Fidelity Summary Notice of Business Continuity**

Fidelity is committed to providing continuous customer service and support; however, we recognize that there are potential risks that could disrupt our ability to serve you. We are confident that we have taken the necessary steps that will allow us to reduce or eliminate the impact of a business disruption.

Fidelity recognizes the responsibility we have to our customers. We have implemented a business continuity management program with a strong governance model and commitment from senior management. Our continuity program's primary objectives are to meet the needs of our customers, maintain the well-being and safety of our employees, and meet our regulatory obligations. The planning process is risk based and involves the understanding and

prioritization of critical operations across the firm, the anticipation of probable threats, and the proactive development of strategies to mitigate the impact of those events.

Our continuity planning teams work closely with local governments and officials in the event of an outage impacting our operations. Additionally, Fidelity has identified three large-scale scenarios that require particular focus: pandemics, events impacting stock and bond market operations, and cyber events. Detailed response plans have been developed and cross-discipline teams have been trained to address both day-to-day disruptions as well as these specific events.

Each Fidelity department has developed the capabilities to recover both operations and systems. All continuity plans are designed to account for disruptions of various lengths and scopes, and to ensure that critical functions are recovered to meet their business objectives. Critical business groups operate from multiple sites. Dedicated teams within our technology organizations ensure that critical applications and data have sufficient redundancy and availability to minimize the impact of an event. Key components of Fidelity's continuity and technology recovery planning include:

- Alternate physical locations and preparedness
- Alternative means to communicate with our customers
- Back-up telecommunications and systems
- Employee safety programs

Plans are tested regularly to ensure they are effective should an actual event occur. Fidelity's Business Continuity Plans are reviewed no less than annually to ensure the appropriate updates are made to account for operations, technology, and regulatory changes. Material changes will be reflected in an updated "Notice of Business Continuity Plan." To obtain a hard copy of this notice you have the option of printing from the upper right hand corner of this site.

For Clients who are utilizing Charles Schwab as custodian:

Although CAPTRUST recognizes Schwab as a Critical Business Constituent, Schwab's proprietary web-based platform permits access to your account remotely regardless of a business local, city-wide or regional disruption. For a summary of Schwab's Business Continuity Plan, please call CAPTRUST at (800) 216-0645 or you may reach Schwab Institutional Investments directly at: 800.289.5114. Clients may access their accounts by logging into [www.schwab.com](http://www.schwab.com).

**Schwab Summary:** 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 re-routed to our other service centers across the country.
- In the event that our primary data center became unavailable for any reason, we would transition to a separate back-up location, where account access would be made available. Our data centers are on separate power grids, separate flood plains and fault lines, and within different transportation networks.
- 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.

For Clients who are utilizing TD Ameritrade as custodian:

Although CAPTRUST recognizes TD Ameritrade as a Critical Business Constituent, TD Ameritrade's proprietary web-based platform permits access to your account remotely regardless of a business local, city-wide or regional disruption. For a summary of TD Ameritrade's Business Continuity Plan, please call CAPTRUST at (800) 216-0645 or you may reach TD Ameritrade directly at: 800.669.3900. Clients may access their accounts by logging into [www.invest.tdameritrade.com](http://www.invest.tdameritrade.com).

While CAPTRUST understands that 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.

At a minimum, the CAPTRUST business continuity plan is reviewed, updated and tested on an annual basis. Additionally, our primary internal and external application providers periodically conduct testing of their own back-up capabilities to ensure that, in the event of an emergency or significant business disruption, they will be able to provide us with the critical information and applications we need to continue or promptly resume our business. When testing our plan, we review the recovery time and resumption time period for all mission critical systems.

Making sure that any type of disruption does not unduly impact our clients is extremely important to us, and our business continuity plan is designed to allow us to continue to provide the quality service you have come to expect from CAPTRUST.

In the event of an internal or external SBD, if telephone service is available, our registered persons will take customer orders or instructions (919) 870-6822 (local) or (800) 216-0645 (toll-free) and contact our clearing firm on their behalf, and if our Web access is available, our firm will post on our Web site (<https://captrust.com>) that customers may access their funds and securities by contacting Pershing, Fidelity, Schwab or TD Ameritrade directly.