

# **NACo RMA LLC and NACo RMA Disaster Recovery and Business Continuity Plan**

## **I. Emergency Contact Persons**

Our firm's emergency contact person is Mr. Peter Torvik, ptorvik@naco.org. This plan will be updated in the event of a material change, and our Compliance Responsible Person (CRP) will review it annually.

## **II. Firm Policy**

Our firm's 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 uninterrupted business. In the event that we determine we are unable to continue our business, we will notify our critical business constituents.

### **A. Significant Business Disruptions (SBDs)**

Our plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect only our firm's ability to communicate and do business, such as a fire in our building. External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a city flood, or a wide-scale, regional disruption. Our response to an external SBD relies more heavily on other organizations and systems.

### **B. Approval and Execution Authority**

Mr. Peter Torvik is responsible for approving the plans as laid out in this document and conducting the required annual review. He has the authority to execute any related action items on this plan.

### **C. Plan Location and Access**

Our firm will maintain copies of its Disaster Recovery and Business Continuity Plan, the annual reviews, and any changes that have been made to it for inspection. An electronic copy of our plan is located in the Business Continuity Plan folder on the company's cloud-based electronic server which is managed by LiveOffice.

## **III. Business Description**

As registered municipal advisors, NACo RMA LLC and NACo RMA act as solicitors for Nationwide Retirement Solutions (NRS), an affiliate of Nationwide Investment Services Corporation. Furthermore, we do not hold customer funds or securities. The soliciting activities are limited to introducing the services of NRS to managers of the employee benefit plans of county governments and county agencies.

## **IV. Office Locations**

Our Office is located at 25 Massachusetts Ave NW, Suite 500, Washington, DC 20001. Its main telephone number is 202-393-6226. Our employees may travel to that office by means of foot, car, and/or bus.

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

In the event of an SBD that has rendered the headquarters unsuitable for business use, our employees will be advised to work from their homes. The main telephone number will be forwarded to a key front desk employee, who will be responsible for connecting callers to the requested NACo RMA LLC and NACo RMA personnel. Subsequent relocation of displaced personnel will be reassessed according to the scope and scale of the SBD.

#### **VI. Customers' Access to Funds and Securities**

NACo RMA LLC and NACo RMA do not maintain custody of customers' funds or securities.

#### **VII. Data Back-Up and Recovery**

Our firm maintains its primary hard copy books and records at 25 Massachusetts Ave., NW, Suite 500, Washington, DC 20001. Mr. Torvik is responsible for the maintenance of these books and records.

As long as a connection to the internet is available, NACo RMA LLC's and NACo RMA's electronic communication and data stores will remain accessible as these services are Internet-based, cloud computing systems provided by our data service partners. The data is replicated to multiple, geographically separate locations throughout the United States, to make sure they remain available in the event of a wide ranging regional disaster.

#### **VIII. Financial and Operational Assessments**

##### **A. Operational Risk**

In the event of an SBD, we will immediately identify what means will permit us to communicate with our employees, critical business constituents, critical banks, critical counter-parties, and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will include telephone voice mail or secured email. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery.

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

In the event of an SBD, we will contact our critical banks and investors to apprise them of our financial status. If we determine that we may be unable to meet our obligations to those counter-parties or otherwise continue to fund our operations, we will request additional financing from our bank or other credit sources to fulfill our business obligations..

## **IX. Mission Critical Systems**

Our firm's "mission critical systems" are those that ensure prompt and accurate processing of business activities. We have primary responsibility for establishing and maintaining our business relationships with our members and have sole responsibility for our mission critical functions of continued service to our members.

Our third party associate provides that it will maintain a business continuity plan and the capacity to execute our plan. Our third party associate represents that it will advise us of any material changes to its plan that might affect our ability to maintain our business. In the event our third party associate executes its plans, it represents that it will notify us of such execution and provide us equal access to services. If we reasonably determine that our third party associate has not or cannot put its plan in place quickly enough to meet our needs, or is otherwise unable to provide access to such services, it represents that it will assist us in seeking services from an alternative source.

Our third party associate represents that it backs up our records at a remote site. It represents that it operates a back-up operating facility in a geographically separate area with the capability to conduct the same volume of business as its primary site. Our third party associate has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing.

Recovery-time objectives provide concrete goals to plan for and test against. They are not, however, hard and fast deadlines that must be met in every emergency situation, and various external factors surrounding a disruption, such as time of day, scope of disruption, and status of critical infrastructure—particularly telecommunications—can affect actual recovery times. Recovery refers to the restoration of clearing and settlement activities after a wide-scale disruption; resumption refers to the capacity to accept and process new transactions and payments after a wide-scale disruption.

### **A. Our Firm's Mission Critical Systems**

Currently, NACo RMA LLC and NACo RMA conduct business via telephone/fax/in person visits. During an SBD, either internal or external, we will continue to conduct our business through any of these methods that are available and reliable, and in addition, as communications permit, we will inform all necessary parties when communications become available to tell them what alternatives they have to contact us

**X. Alternate Communications Between the Firm and Employees, and Regulators**

**A. Employees**

We now communicate with our employees using the telephone, e-mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. We will also employ a call tree so that senior management can reach all employees quickly during an SBD. The call tree includes all staff home and office phone numbers. We have identified persons, noted below, who live near each other and may reach each other in person:

The person to invoke use of the call tree is: Peter Torvik

<b>Caller</b>	<b>Call Recipient</b>	<b>Primary Contact Number</b>	<b>Alternative Contact Number</b>
Peter Torvik	Lisa Cole	202-942-4270	703-362-3643
Peter Torvik	David Keen	202-942-4206	202-253-3049
Peter Torvik	Matt Chase	202-942-4201	703-731-0742
Lisa Cole	Sarah Sunderman	202-942-4228	515-450-0007

**B. Regulators**

We are currently registered with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB). We communicate with our regulators using the telephone, e-mail, fax, U.S. mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party.

**XI. Critical Business Constituents, Banks, and Counter-Parties**

**A. Business Constituents**

We have contacted our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services), and determined the extent to which we can continue our business relationship with them in light of the internal or external SBD. 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 to them or our firm.

**B. Banks**

We have contacted our banks and lenders to determine if they can continue to provide the financing that we will need in light of the internal or external SBD. The bank maintaining our operating accounts are: SunTrust Bank 202-737-8799.

**C. Counter-Parties**

We have contacted our critical counter-parties, email support, to determine if we will be able to carry out our transactions with them in light of the internal or external SBD. Where the transactions cannot be completed, we will work with our vendors or contact those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

**XII. Regulatory Reporting**

Our firm is subject to regulation by: The Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB). We now file reports with our regulators using paper copies in the U.S. mail, and electronically using fax, e-mail, and the Internet. In the event of an SBD, we will check with the SEC and MSRB to determine which means of filing are still available to us, and use the means closest in speed and form (written or oral) 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.

**XIII. Disclosure of Business Continuity Plan**

We provide in writing a Disaster Recovery and Business Continuity Plan disclosure statement to entities with which we contract when a contract is executed. We also will mail it to business constituents upon request.

**XIV. Updates and Annual Review**

Our firm will update this plan whenever we have a material change to our operations, structure, business or location or to those of our clearing firm. In addition, our firm will review this BCP annually, in the first quarter of each year, to modify it for any changes in our operations, structure, business, or location or those of our vendors.

**XV. Senior Manager Approval**

I have approved this Disaster Recovery and Business Continuity Plan as reasonably designed to enable our firm to meet its obligations in the event of an SBD.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_