

# Level Four Financial, LLC Business Continuity Plan

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This "Business Continuity Plan" has been created to meet the requirements described in FINRA Rule 4370. This Business Continuity Plan is reasonably designed to enable our firm to meet its obligations to customers in the event of a Significant Business Disruption.

Authorized Approval Signature: Stacey Lynn Lavender  
Printed Name & Title: Stacey Lavender, CCO  
Date: 4/8/22

This Plan is effective from the date approved until the date of its authorized revision, update or replacement (see below).

Date this Plan was no longer effective (date of revision, update or replacement): \_\_\_\_\_  
Recordkeeping: Discard after \_\_\_\_\_ (date three years from termination of use).

## **Introduction**

Rule 4370 requires each member to create and maintain a Business Continuity Plan (BCP) that identifies procedures relating to an emergency or significant business interruption that are “reasonably designed to enable the member to meet its existing obligations to its customers.” In addition, the plan must address the firm’s existing relationships with other members and counter-parties. This plan must be promptly made available to the FINRA staff upon request.

Rules 4370(b) requires that each member review its plan at least annually to determine if any changes are needed and update its plan more frequently in the event of any material change to its operations, structure, business or location.

The plan should reflect the firm’s business and operations. Therefore, the requirements of the plan, as identified in Rule 4370, are flexible and should be tailored to the firm’s size and needs. At a minimum, Level Four Financial, LLC’s plan must address the following areas:

- Data back-up and recovery (hard copy and electronic);
- All mission critical systems;
- Financial and operational assessments;
- Alternate communications between customers and the member;
- Alternate communications between the member and its employees;
- Alternate physical location of employees;
- Critical business constituents, banks, and counter-party impact;
- Regulatory reporting;
- Communications with regulators; and
- How the member will assure customers’ prompt access to their funds and securities in the event that the member determines that it is unable to continue its business.

Each firm is required to only address the elements applicable to its business, but the plan must contain an explanation if any element above is not included.

Rule 4370 requires each member to designate two individuals as emergency contacts that FINRA may contact in the event of a significant business disruption. Each contact must be a registered principal or member of senior management.

Rule 4370 also requires that each member enter this information into the FINRA’s Contact System (NCS) at [https://regfiling.finra.org/contacts/ncs\\_contacts.aspx](https://regfiling.finra.org/contacts/ncs_contacts.aspx) and that required changes are made promptly.

### **1. Emergency Contact Persons**

Level Four Financial, LLC has designated the following individuals to act as contact persons for the firm as required under Rule 4370:

#### **Primary Contact**

Marc Whitehead  
251-650-0840 or  
251-605-1213  
[mwhitehead@levelfourfinancial.com](mailto:mwhitehead@levelfourfinancial.com)

#### **Secondary Contact:**

Stacey Lavender  
251-445-2434 or  
866-763-913  
[slavender@levelfourfinancial.com](mailto:slavender@levelfourfinancial.com)

These contacts will be reported through FINRA's Contact System. This system may be accessed directly at [https://regfiling.finra.org/contacts/ncs\\_contacts.aspx](https://regfiling.finra.org/contacts/ncs_contacts.aspx) or through the Firm Gateway at [www.finra.org/firmgateway](http://www.finra.org/firmgateway), and must be updated in the event of a material change. In addition, Level Four Financial, LLC's Executive Representative or his/her written designee must review and update this information, if necessary, within 17 business days of the end of the calendar year. The Executive Representative or his/her designee will also ensure that contact information is updated promptly if changes occur at any time during the year.

**Executive Representative:**

Level Four Financial, LLC's Executive Representative is Marc Whitehead.

**Disaster Recovery Coordinator/Team:**

The Company has designated Marc Whitehead as the "Disaster Recovery Coordinator". In his absence, Stacey Lavender will assume his responsibilities.

The "Disaster Recovery Coordinator" has the responsibility to make an immediate preliminary assessment of the nature and extent of the disruption by assessing the following: electricity supply; condition of computer network/phones; damage to the building; HVAC in extreme weather; and other hazards.

If the Coordinator determines that personnel should evacuate the affected location(s), an announcement must be made to all personnel as to appropriate procedures. The announcement may be given via personal contact, e-mail, intercom or other methods as appropriate given the systems available and size of staff and building. This announcement should be short and concise, should calmly identify the situation and should provide instructions to employees on how to respond. This announcement should be repeated as often as necessary to avoid confusion and to ensure all employees are aware of the situation. After ensuring the physical safety of Company personnel, the Coordinator must then implement this BCP.

If the situation does not merit evacuation, steps should be taken to alert designated persons of necessary actions to facilitate ongoing operations in the face of limited disruption. In this case, the Coordinator will determine which, if any, procedures in this BCP should be implemented.

In the event, the SBD has directly effected other areas of the building but has not directly impacted the Company's office, the Coordinator will contact building security or emergency personnel for instructions on how the Company should respond and proceed accordingly.

**2. Firm Policy**

Level Four Financial, LLC'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 its customers to transact business. In the event that it is determined the firm is unable to continue its business, the firm will assure customers prompt access to their funds and securities.

**Significant Business Disruptions (SBDs):**

Level Four Financial, LLC's plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect only the Company's ability to communicate and do business, such as a fire or loss of electrical power in the office or building.

External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a natural disaster, or another event that causes a wide-scale, regional disruption in essential services. The Company's response to an external SBD will rely more heavily on other organizations and systems, especially on the capabilities of the clearing firm federal emergency authorities, local officials and utility companies.

**Approval and Execution Authority:**

Either Marc Whitehead or Stacey Lavender, both registered principals, is responsible for approving the plan and for conducting the required annual review. Either has the authority to execute this BCP.

**Plan Location and Access:**

Level Four Financial, LLC will maintain copies of its BCP plan, a record of the firm's annual reviews, and the changes that have been made to the BCP for inspection by regulators. A hard copy of the Company's Plan is located in its main business location and may be accessed by contacting various Level Four Financial, LLC principals. An electronic copy of our plan is located on our internal systems, and our internal website.

A copy of the BCP will be provided to FINRA District Office #5 located in New Orleans, LA upon request.

**3. Business Description**

Level Four Financial, LLC conducts business in equity, fixed income, and derivative securities. The Company is an introducing firm and does not perform any type of clearing function for itself or others. Furthermore, the Company does not hold customer funds or securities. Level Four Financial, LLC accepts and enters orders. All transactions are sent to the clearing firm, which executes our orders, compares them, allocates them, clears and settles them. The Company's clearing firm also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities. Level Four Financial, LLC also forwards checks and applications to some investment companies for business done on a subscription way basis as well to product sponsors for variable annuities. Level Four Financial, LLC services retail and institutional customers.

The Company's clearing firm is Raymond James & Associates, located at 880 Carillon Pkwy, St. Petersburg, Florida 33716. Our contact person at our clearing firm is Kerry Kelly, 800-248-8863 ext.73996, [Kerry.kelly@raymondjames.com](mailto:Kerry.kelly@raymondjames.com).

Level Four Financial, LLC conducts some of their business on a subscription basis in mutual funds, variable insurance products, and unit investment trusts. The Company does not hold customer funds, securities or customer accounts. Level Four Financial, LLC accepts applications from customers for the purchase of these products and sends them directly to the product sponsor for execution and settlement. The product sponsor maintains all the customer accounts, and delivers funds and securities upon the customer's request. Our firm services retail and institutional customers.

**4. Office Locations**

Level Four Financial, LLC has branch offices located throughout the United States with the primary office located at 12400 Coit Road, Suite 700, Dallas TX 75251. Its main telephone number is 866-834-1040. These locations are available on the Level Four Financial website ([www.levelfourfinancial.com](http://www.levelfourfinancial.com)), CRD record, and internal records.

**Alternative Physical Location(s) of Employees:**

Rule 4370(c)(6) requires that each member designate a location at which business will be conducted in the event the primary office of the Company must be evacuated. In accordance with this requirement, Level Four Financial, LLC has set it up so all employees are able to work from their homes in the event of an emergency.

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

Level Four Financial, LLC does not maintain custody of customers' funds or securities. Customer accounts are maintained at our clearing firm, Raymond James & Associates, Inc.

In the event of an SBD:

1. If telephone service is available, our registered persons will:
  - a. take customer orders or instructions and contact our clearing firm, the product sponsor or offeror on their behalf, or
  - b. provide information to the customer with information on contacting the clearing firm, product sponsor or offeror; and
2. If Web access is available, the firm will post on our Web site that customers may access their funds and securities by contacting Raymond James at 800-248-8863.

The Company will make this and additional information regarding accessing funds and/or securities available to customers through its disclosure policy (below).

If SIPC determines that the Company is unable to meet its obligations to its customers or if the Company's liabilities exceed its assets in violation of Securities Exchange Act Rule 15c3-1, SIPC may seek to appoint a trustee to disburse the Company's assets to its customers. Level Four Financial, LLC will assist SIPC and the trustee by providing applicable books and records identifying customer accounts subject to SIPC regulation.

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

Level Four Financial, LLC maintains its primary books and records at 12400 Coit Road, Suite 700, Dallas TX 75251. The Firm backs up all account related records daily to an offsite location via Enveloc.

As a Correspondent Broker/Dealer, Level Four Financial, LLC clears exclusively through Raymond James & Associates, Inc., where all account related forms are stored and backed up daily through the Raymond James' computer systems.

In the event of an internal or external SBD that causes the loss of our books and records, the Firm will either physically recover the storage media or electronically recover data from our back-up site, or, if our primary site is inoperable, continue operations from an alternate location.

### **Back-up of electronic records:**

The firm backs up its electronic records daily. In the event that electronic records are lost, the Company will either physically recover the storage media or electronically recover data from its back-up site, or, if the Company's primary site is inoperable, continue operations from its back-up site or an alternate location.

## **7. Financial and Operational Assessments**

### **Operational Risk:**

In the event of an SBD, Level Four Financial, LLC will immediately identify any methods available that will permit personnel to communicate with customers, other 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 the Company may employ will include the firm's web site, telephone voice mail, secure e-mail, etc. In addition, Level Four Financial, LLC will retrieve key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

## **Financial and Credit Risk:**

In the event of an SBD, the Firm will determine the value and liquidity of our investments and other assets to evaluate our ability to continue to fund our operations and remain in capital compliance. The Firm will contact Raymond James & Associates, Inc., critical banks, and investors to apprise them of our financial status. If the Firm determines that it may be unable to meet its obligations to those counter-parties or otherwise continue to fund its operations, the Firm will request additional financing from its bank or other credit sources to fulfill its obligations to its customers and clients. If Level Four Financial, LLC cannot remedy a capital deficiency, the FINOP will file appropriate notices with applicable regulators, comply with the SEC's net capital regulations, and immediately take appropriate steps, including suspension of certain business activities, contacting SIPC, and the temporary lay-off of non-essential personnel.

In the event of a suspension or termination of the Company's business, the Company will attempt to notify customers regarding the situation and provide them with instructions for accessing their funds or securities, if applicable, for verifying transactions in process or for conducting future business. Notification will be a form allowed based on the circumstances permitted by regulatory authorities and may include telephone calls, letters or a posting on the Company's website.

## **8. Mission Critical Systems**

### **Internal Mission Critical Systems**

Level Four Financial, LLC'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 customer accounts, access to customer accounts, and the delivery of funds and securities. More specifically, these systems include: Advisors Access (order entry, execution, comparison, report generation) and the systems employed by Raymond James & Associates, Inc.

Raymond James & Associates, Inc. contract provides they will maintain a business continuity plan and the capacity to execute that plan. They represent that they will advise us of any material changes to its plan that might affect our ability to maintain our business and have provided us (online) with their BCP plan, which can be presented if requested. In the event they execute their plans, they represent that they will notify us of such execution and provide us equal access to services as its other customers. If we reasonably determine that they have not or cannot put their plan in place quickly enough to meet our needs, or are otherwise unable to provide access to such services, they represent that they will assist us in seeking services from an alternative source.

### **Order Taking**

Currently, the Company receives orders from customers via telephone and in person. During an SBD, the Company will continue to take orders through any of these methods that are available and reliable.

The Company will inform its customers what alternatives they have to send their orders to us in the event traditional methods are interrupted. Customers will be informed of alternatives by disclosure information provided when a new business relationship is established and by calls from personal cell phones, if phone services if effected, through messages via email or posted on the Company's website or other means available. If necessary, the Company will advise its customers to place orders directly with Raymond James & Associates, Inc. at 800-248-8863.

### **Order Entry/Submission**

Currently, Level Four Financial, LLC enters orders electronically and sending them to Raymond James & Associates, Inc. electronically or telephonically.

In the event of an internal SBD, the Company will enter and send orders to its clearing firm by the fastest alternative means available, which may include the same electronics entry system or telephone. In addition, during an internal SBD, the Company may refer customers directly to the clearing firm for placing orders.

In the event of an external SBD, the Company will maintain the order in electronic or paper format, and deliver the order to the clearing firm by the fastest means available when it resumes operations.

### **Order Execution**

The Company does not execute orders. All orders are executed through the Company's clearing firm. See below for information on the clearing firm's mission critical systems.

### **Mission Critical Systems Provided by Our Clearing Firm**

The Company's clearing firm provides, through contract, the 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.

Level Four Financial, LLC's clearing agreement, or addendum thereto, provides that the clearing firm will maintain a business continuity plan and the capacity to execute that plan.

Raymond James Financial Services, Inc. represents:

1. It will advise the Company of any material changes to its plan that might affect Level Four Financial, LLC's ability to maintain its business.
2. In the event the Company's clearing firm executes its plan, it represents that it will notify the Company of such execution and provide the Company equal access to services as its other customers.
3. If, Raymond James Financial Services, Inc. determines that it has not or cannot put its plan in place quickly enough to meet Level Four Financial, LLC's needs, or is otherwise unable to provide access to such services the clearing firm represents that it will assist the Company in seeking services from an alternative source.
4. Raymond James Financial Services, Inc. backs up the Company's records at a remote site and 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.

In addition, the Company's clearing firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing its back-up arrangements.

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. Raymond James & Associates, Inc. has the following SBD recovery time and resumption objectives: recovery time period of within 4 hours; and resumption time of within the same business day.

## **9. Alternate Communications Between the Firm and Customers, Employees, and Regulators**

### **Customers**

The Company currently communicates with our customers using the telephone, e-mail, our Web site, U.S. mail, and in person visits at our firm or at the other's location.

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. For example, if we have communicated with a party by e-mail but the Internet is unavailable, we will call them on the telephone and follow up where a record is needed with paper copy in the U.S. mail.

## **Employees**

The Company currently communicates with its 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.

Employees will be notified directly by the Disaster Recover Coordinator, or his/her designee, as to events and the manner in which they should proceed.

## **Regulators**

The Company is currently a member of FINRA.

The Company is registered to conduct business in fifty-one states and jurisdictions. Please see [www.nasaa.org](http://www.nasaa.org) for the state specific contact information.

Level Four Financial, LLC communicates with applicable regulators using the telephone, e-mail, 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.

## **10. Critical Business Constituents, Banks, and Counter-Parties**

### **Business constituents**

Level Four Financial, LLC has contacted our critical business constituents (businesses with which the Company has an ongoing commercial relationship in support of its operating activities, such as vendors providing critical services), and determined the extent to which the Company can continue its business relationship with these businesses in light of the internal or external SBD. The Company will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when we need them because of a SBD to them or our firm. At this time the Firm does not have any critical business constituents.

### **Banks**

1. Level Four Financial, LLC has contacted its banks and lenders to determine if they can continue to provide the financing that the Company may need in light of the internal or external SBD.
2. Region's Bank maintains the Firm's operating account. The bank maintaining the Firm's Proprietary Account of Introducing Brokers/Dealers (PAIB account) is the same as above.

### **Counter-Parties**

Level Four Financial, LLC will contact our critical counter-parties, such as other broker-dealers or institutional customers, 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 clearing firm or contact those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

## **11. Regulatory Reporting**

Level Four Financial, LLC is subject to regulation by the FINRA, MSRB and the Alabama Securities Commission.

The Company currently files 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 FINRA, and other regulators 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.

The Company's current regulators can be reached as follows:

FINRA District 5: 504-522-6527

Various States: See [www.nasaa.org](http://www.nasaa.org) for contact information for various states.

## **12. Disclosure of Business Continuity Plan**

The Company will disclose in writing a summary of our BCP to customers at account opening. The Company will notify customers in writing when material changes are made to the Plan that may affect their business relationship with the Company. The Company will also post the summary on our Web site and mail it to customers upon request.

The summary addresses the possibility of a future SBD and how we plan to respond to events of varying scope. In addressing the events of varying scope, the summary:

1. Provides specific scenarios of varying severity (e.g., a firm-only business disruption, a disruption to a single building, a disruption to a business district, a city-wide business disruption, and a regional disruption);
2. States whether we plan to continue business during that scenario and, if so, our planned recovery time; and
3. Provide general information on our intended response.

Our summary also discloses the existence of back-up facilities and arrangements. A copy of the Company's disclosure statement is included at the back of this Plan.

## **13. Updates and Annual Review**

The Company will update this plan whenever there is a material change to its operations, structure, business or location or to those of the clearing firm.

The Company's BCP will be reviewed and modified, if necessary, at least annually, but no later than within 12 months of the date on which this Plan was put into effect or previously reviewed, to take into account any changes in the Company's operations, structure, business, or location or those of our clearing firm.

# Customer Disclosure Statement

## Level Four Financial, LLC

Level Four Financial, LLC plans to quickly recover and resume business operations after a significant business disruption (SBD) and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm's books and records, and allowing our customers to transact business. In short, our company's business continuity plan (BCP) is designed to permit us to resume operations as quickly as possible, given the scope and severity of the SBD.

The BCP addresses: data backup and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

Our clearing firm, Raymond James & Associates, Inc., backs up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by our clearing firm that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments within four hours. Your orders and requests for funds and securities could be delayed during this period.

**Significant Business Disruptions:** The Company's plan takes into account two kinds Significant Business Disruptions, internal and external. Internal SBDs affect only the Company's ability to communicate and do business, such as a fire or loss of electrical power in the office or building.

External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a natural disaster, or another event that causes a wide-scale, regional disruption in essential services.

**Internal SBDs:** In the event of a disruption in the Company's business operations due to an internal SBD, the Company will attempt to continue to conduct business as usual by utilizing alternative communication methods (if available), such as the Internet, cell phones, etc., or by moving its operations to an alternative location.

If personnel or operations must be moved to an alternate location, the Company anticipates that it will resume regular operations within four hours.

**External SBDs:** In the event of a disruption in the Company's business operations due to an external SBD, the Company will attempt to continue to conduct business as usual by moving its operations to an alternative location outside the effected area, if possible, or by providing customers with alternative communication arrangements, as indicated below, to conduct business or to access their funds and securities.

The Company will attempt to resume business within 24-48 hours and to keep its customers informed regarding relevant events to the best of its ability based on the circumstances.

In all cases, the Company will resume normal business operations as soon as it is able to do so, based on the type and the extent of the disrupting event.

If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our customer's prompt access to their funds and securities.

**Communications:** In the event you are unable to reach the Company at our main number, please proceed as follows:

1. Contact the Company at the following alternate telephone number: 866-834-1040.

2. Access the Company's website at [www.levelfourfinancial.com](http://www.levelfourfinancial.com).
3. Contact the clearing firm, Raymond James, directly at the following telephone number to process transactions or for information on your holdings: 800-248-8863
4. Access the clearing firm website for more information on contacting this entity and their business continuity plans. The website address can generally be found on your statement or offering documents.
5. Contact the FINRA's District office at the following telephone number for more information on the company's status and additional instructions: 504-522-6527

**Contact information:** Any questions regarding the Company's Business Continuity Plans should be addressed to the Compliance Department at 12400 Coit Road, Suite 700, Dallas TX 75251.