



## **Fusco Financial Associates, Inc.**

Business Continuity Plan (BCP)

Updated: June 27, 2024

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### **Critical Elements**

Fusco Financial Associates has developed plans that include the ability to recover from situations including but not limited to, unplanned evacuations, power outages, major water leaks, fire, severe weather, and any facilities failures that may cause business interruptions. Plans are designed to account for business interruptions of various lengths and scope and require that Fusco Financial Associates is able to recover critical functions according to their time criticality. Key features of Fusco Financial's disaster recovery planning includes reviews of the following:

- (1) Data back-up and recovery (hard copy and electronic);
- (2) All mission critical systems;
- (3) Financial and operational assessments;
- (4) Alternate communications between customers and Fusco Financial
- (5) Alternate communications between Fusco Financial and its employees;
- (6) Alternate physical location of employees;
- (7) Critical business constituents, banks, and counterparty impact;
- (8) Regulatory reporting;
- (9) Communications with regulators; and
- (10) Assurance of customers' prompt access to their funds and securities in the event that Fusco Financial Associates determines that it is unable to continue its business.

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### **I. Emergency Contact Persons**

Our firm's three emergency contact persons are: Tony Fusco, President & Branch Manager & Registered Principal, 410-818-4802, email: [tony.fusco@fuscofinancial.com](mailto:tony.fusco@fuscofinancial.com); Kevin Fusco, Vice President & Branch Manager & Registered Principal, 443-465-4870, email: [kevin.fusco@fuscofinancial.com](mailto:kevin.fusco@fuscofinancial.com); and Cassie Immelt, Director of Administration, 443-613-5436, email: [cassie.immelt@fuscofinancial.com](mailto:cassie.immelt@fuscofinancial.com). These names will be reviewed quarterly and will be updated in the event of a material change. Rule: FINRA Rule 3520.

## **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 our customers to transact business. In the event that we determine we are unable to continue our business, we will assure customers prompt access to their funds and securities.

### **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, especially on the capabilities of our clearing firm. Our clearing firm is Raymond James. Please see the copy of Raymond James Business Continuity Planning-Disclosure Statement at the end of this document.

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

Tony Fusco, President, a Registered Principal, and/or Kevin Fusco, Vice President, also a Registered Principal, are responsible for approving the plan and for conducting the required annual review. Tony Fusco, President and/or Kevin Fusco, Vice President, has the authority to execute this BCP.

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

Our firm will maintain copies of its BCP plan and the annual reviews, and the changes that have been made to it for inspection. An electronic copy of our plan is located on our corporate server in the "Business Continuity Plan" folder.

## **III. Business Description**

The advisors of Fusco Financial Associates conduct business in equity, mutual funds, and fixed income securities. Fusco Financial advisors also conduct business in insurance products. Our firm is an independent organization and clears customer transactions through Raymond James. Furthermore, we do not hold customer funds or securities. We accept and enter orders. Transactions are cleared and settled by Raymond James. Our clearing firm also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities. Our clearing firm services our retail customers. We do not engage in any private placements.

Our clearing firm is Raymond James, 800 Carillon Parkway St Petersburg, FL 33716. Their phone number is 800-647-7378 and their web address is [www.raymondjames.com](http://www.raymondjames.com).

## **IV. Office Locations**

#### **A. Office Location**

Our office is located at 505 Baltimore Avenue, Towson, MD 21204. Its main telephone number is (410) 296-5400. Our employees may travel to that office by car. We engage in order taking and entry at this location. This is an Office of Supervisory Jurisdiction (OSJ).

#### **B. Office of Other Use**

We have a satellite office location located at 3825 Leonardtown Road, Suite 6, Waldorf, MD 20601. Its main telephone number is (301) 710-5880. Our employees may travel to that office by car. We engage in order taking at this location; however, order entry is handled solely at the home office (505 Baltimore Avenue, Towson, MD 21204).

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

In the event of an SBD, which makes the main office location unavailable, Fusco Financial Associates will have adequate systems available at their alternate location of 15335 Old York Road, Monkton, MD 21111 or 1727 Monkton Farms Dr Monkton, MD 21111. Rule: FINRA Rule 3510(c)(6).

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

Our firm does not maintain custody of customers' funds or securities, which are maintained at our clearing firm, Raymond James. In the event of an internal or external SBD, if telephone service is available, our registered persons will take customer orders or instructions and contact our clearing firm on their behalf, and if our Web access is available, our firm will post on our website that customers may access their funds and securities by contacting Raymond James at 800-647-7378. The firm will make this information available to customers through its disclosure policy. Rules: FINRA Rule 3510(a); Securities Exchange Act Rule 15c3-1; 15 U.S.C. 78eee (2003).

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

Our firm maintains its primary hard copy books and records and its electronic records at 505 Baltimore Avenue, Towson, MD 21204. Cassie Immelt is responsible for the maintenance of these books and records. Our firm maintains the following document types and forms that are not transmitted to our clearing firm: client reviews, client agreements, and investment proposals.

The firm maintains its back-up hard copy books and records on the Raymond James Service Center Portal system. These records are scanned, and the images are stored electronically. Cassie Immelt is responsible for the maintenance of these back-up books and records.

Our entire data set is being backed up on a daily basis. We utilize the services of Netacom. Our main contact at this organization is Jon Crenson and their telephone number is 410-884-9336.

In the event of an internal or external SBD that causes the loss of our paper records, we will physically recover them from our back-up site. If our primary site is inoperable, we will continue operations from our back-up site or an alternate location. For the loss of electronic records, we 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 our back-up site or an alternate location. Rule: FINRA Rule 3510(c)(1).



## **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 customers, employees, critical business constituents, critical banks, critical counterparties, and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will include voice mail, website, secure e-mail, etc. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Electronic). Rules: FINRA Rules 3510(c)(3) & (f)(2).

### **B. 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 remain in capital compliance. We will contact our clearing firm, 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 counterparties or otherwise continue to fund our operations, we will request additional financing from our bank or other credit sources to fulfill our obligations to our customers and clients. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take appropriate steps. Rules: FINRA Rules 3510(c)(3), (c)(8) & (f)(2).

## **IX. Mission Critical Systems**

Our firm's "mission critical systems" are those that ensure prompt and accurate processing of securities transactions, including order taking, entry, and execution of securities transactions, the maintenance of customer accounts, access to customer accounts, and the delivery of funds and securities. We use redundant T-1 data and voice lines for communication with our Clearing Firm and our clients. These systems are additionally redundant through password-protected internet access to our clearing firm through the World Wide Web. All functionality for order entry, execution, comparison, clearance and settlement of securities transactions, the maintenance of customer accounts and the delivery of funds and or securities can be processed in this manner.

We have primary responsibility for establishing and maintaining our business relationships with our customers and have sole responsibility for our mission critical functions of order taking and entry. Our clearing firm provides, through agreement, 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.

Our clearing firm agreement provides that our clearing firm will maintain a business continuity plan and the capacity to execute that plan. Our clearing firm represents that it will advise us of any material changes to their plan that might affect our ability to maintain our business and presented us with an executive summary of its plan, which is attached. In the event our clearing firm executes its plan, they represent that it will notify us of such execution and provide us equal access to services as its other customers. If we reasonably determine that our clearing firm 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, our clearing firm represents that it will assist us in seeking services from an alternative source.

Our clearing firm represents that it backs up our records at a remote site. Our clearing firm 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 clearing firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing, which they perform on a regular basis.

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

##### 1. Order Taking

Currently, our advisors receive orders from customers via telephone and in person visits by the customer. During an SBD, either internal or external, we will continue to take orders through any of these methods that are available and reliable, and in addition, as communications permit, we will inform our customers when communications become available to tell them what alternatives they have to send their orders to us. Customers will be informed of alternatives by telephone, e-mail notice or via our website at [www.fuscofinancial.com](http://www.fuscofinancial.com). If necessary, we will advise our customers to place orders directly with our clearing firm, Raymond James at 800-647-7374.

##### 2. Order Entry

Currently, client orders are entered electronically based on instructions received, directly into the Raymond James Advisor Access. Orders received from clients will be entered directly into the order entry system. If the electronic system is unavailable, orders may be placed electronically. The order entry systems will be available to FFA employees and advisors from the remote location.

In the event of an internal SBD, we will enter and send records to Raymond James by the fastest alternative means available, which include electronic or telephonic means. In the event of an external SBD, we will maintain the order in electronic or paper format and deliver the order to Raymond James by the fastest means available when it resumes operations. In addition, during an internal SBD, we may need to refer our customers to deal directly with Raymond James for order entry.

#### B. Mission Critical Systems Provided by Our Clearing Firm

Our firm relies on our clearing firm, Raymond James, to provide order execution, order comparison, order allocation, and the maintenance of customer accounts, delivery of funds and securities, and access to customer accounts. Our firm also relies on Raymond James to maintain our company website and to maintain the clients' access to view their accounts online. Rules: FINRA Rules 3510(c) & (f)(1).



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

### **A. Customers**

We now communicate with our customers using the telephone, e-mail, our website, fax, U.S. mail, and in person visits at our firm. 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. Rule: FINRA Rule 3510(c)(4).

### **B. Employees**

We now communicate with our employees using the telephone (including cell phone), e-mail, Microsoft Teams 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 management can reach all employees quickly during an SBD. A list of all employees' emergency contact information will be maintained with each employee, and Tony Fusco and/or Kevin Fusco will be responsible for calling all employees to advise them of an SBD. Rule: FINRA Rule 3510(c)(5).

### **C. Regulators**

Fusco Financial Associates, Inc. communicates 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. Rule: FINRA Rule 3510(c)(9).

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

We maintain an updated list of all vendors, banking relationships and other emergency contact information which may be needed in the event of an 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. Rules: FINRA Rule 3510(c)(7).

## **XII. Regulatory Reporting**

Fusco Financial Associates, Inc. will continue to maintain records as required by the regulators. We now file reports with our regulators electronically using e-mail, and the Internet. In the event of an SBD, we will check with the SEC, 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. Our primary regulator is the Financial Industry Regulatory Authority (FINRA). We are covered by their office at 1735 K Street, Washington, DC 20006. Their phone number is (301) 590-6500. Rule: FINRA Rule 3510(c)(8).

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


We will have our BCP disclosure statement posted on the firms' website ([www.fuscofinancial.com](http://www.fuscofinancial.com)) where it can be viewed or printed. New clients can elect to receive the BCP Disclosure Statement in hard copy form at the time the account is opened and will mail it to customers upon request. We will also offer an electronic version of our BCP disclosure should a client prefer to receive it via e-mail instead. Rule: FINRA Rule 3510(e).

### **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, on/by March 31st to modify it for any changes in our operations, structure, business, or location or those of our clearing firm. Rule: FINRA Rule 3510(b).

### **XV. Senior Manager Approval**

I have approved this Business Continuity Plan as reasonably designed to enable our firm to meet its obligations to customers in the event of an SBD. Rule: FINRA Rule 3510(d).

Signed: 

Title: Vice President

Date: 7/1/24



**Fusco Financial Associates, Inc.**  
Business Continuation Plan Summary

Fusco Financial Associates is committed to providing timely service to our clients. We recognize the importance of preparing for various disaster scenarios that could hinder our ability to provide such service. We have taken steps to provide for business contingency and continuity planning under a variety of potential scenarios. We will continue to evaluate our continuity plans and expand our resources in order to provide for the recovery and timely resumption of critical business operations for Fusco Financial Associates.

Fusco Financial Associates plans to quickly recover and resume business operations after a significant business disruption and respond by safeguarding employees and property, making a financial and operational assessment, protecting the firm's books and records, and allowing our clients to transact business.

Preparedness

If Fusco Financial Associates loses the ability to perform business at our principal location in Towson, MD, we will relocate staff with critical functions to our alternate recovery sites in Monkton, MD. We have plans in place for recovery, and they are tested periodically. Recovery time objectives vary based on the criticality of the function that is disrupted.

Our data is backed up on a daily basis and stored offsite. Our Information Technology department is responsible for recovering our data in a timely manner. We have plans in place for this recovery and they are tested periodically. Recovery is expected within 4-6 hours.

Fusco Financial Associates has communications systems set up at our alternate recovery sites in Monkton, MD. Phone systems as well as internet access are in place, as are alternative communications between our Firm and staff. FINRA and the SEC will be contacted to inform them our situation as well.

Conclusion

Please be aware that, while we have detailed plans in place, we cannot guarantee that we will be successful in achieving recovery in the times noted above. For example, we may not be able to implement a plan during a disaster as quickly as we expect, or there may be disasters that we have been unable to anticipate and for which we have no plan. Additionally, if parts of our plan are dependent upon 3rd parties, we will have no control over the success or failure of the third party to respond appropriately to the challenges posed at the time of the disaster. These plans are periodically updated and modified.



## Raymond James Business Continuity Planning: Disclosure Statement

### Introduction

In this Business Continuity Disclosure Statement, learn how Raymond James works to mitigate risks inherent in unforeseen business interruptions.

### With Business Continuity in Mind

Raymond James institutes the best practices developed by industry organizations for creating practical and effective business continuity plans. The firm periodically conducts a Business Impact Analysis (BIA) of business processes. This analysis identifies risks, critical processes, and related dependencies (both technology dependencies and dependencies on other processes).

Armed with this information, each business area prioritizes recovery procedures, since some processes have more urgent restoration requirements than others. Each business area also creates continuity plans that are reviewed by the Business Continuity Management team to ensure they meet appropriate guidelines and can be properly coordinated with the plans of other business areas. Each business continuity plan takes into consideration the response to building, personnel, technology and supplier outages.

To diminish risks posed by local and regional disruptions, Raymond James maintains geographically dispersed operational locations as part of its overall resiliency. In the event of an emergency at the St. Petersburg international headquarters, off-site locations are staffed to continue production work. Additionally, critical personnel have the ability to work remotely to address scenarios like severe weather or pandemic.

### A Dedicated Team

Raymond James established the Business Continuity Management (BCM) group, a dedicated team of professionals that oversees the firm's business continuity management strategy. BCM works closely with business units and the Information Technology department to employ a standardized framework for building, maintaining and testing business continuity plans. Firm plans are created using an all-hazards approach, including baseline requirements and strategies that address incidents of varying scope.

### Leading Incident Management

A corporate Crisis Management function, comprised of senior management representing key areas of the firm, manages incidents that might affect the firm's associates and clients. Crisis Management assesses and directs the firm's response to an incident, ensuring the safety and security of all associates and continuity of critical processes. The decision to enact the plan would be made by the Crisis Management Team, with advisement from the Executive Committee. The firm also maintains plans that cover the response procedures related to these types of incidents, including severe weather, infectious disease, and cyber threats.

### About the Technology and Data Recovery Process

Raymond James employs a dual-data-center strategy in which critical client data and systems housed at the primary location are replicated at an alternate location, ensuring accessibility. It is the firm's goal to recover from an event requiring a processing switch to the alternate site with minimal disruption to core business functions. In addition, data retention and backup procedures are in place, including tape backup and offsite storage, offering a tertiary layer of data accessibility should the need arise. Our main data center, located in Colorado, is protected with redundant equipment, UPS, and generators. Raymond James uses data replication to the back-up data center in Michigan and so that most applications will not lose more than 15 minutes' worth of data. The recovery time for the majority of our critical applications is 24 hours.

### Plan Testing and Validation

To assess recovery capability, periodic testing is vital. Therefore, Raymond James requires that all Business Continuity and Disaster Recovery plans be tested on a regular basis. The amount and frequency of Business Continuity Plan testing is determined by a risk-based approach, with critical processes tested on an annual basis. Testing takes into consideration building, personnel, technology and supplier outages. The firm also maintains incident response plans that cover hazards related to these types of incidents including severe weather, infectious disease and cyber threat plans.

In addition, the firm reviews recovery plans on a regular basis to ensure they are compliant with standards and are maintained according to the guidelines established by the BCM team. The BCM team assists the business with designing plans to allow for continued operations of critical business functions, including providing clients with prompt access to their funds and securities.

### Raymond James Keeps Clients Informed

Providing stakeholders with information about the crisis is a key component of the Raymond James Crisis Management protocol. In the event of a business disruption, clients can obtain information about the status of their accounts and access to their funds and securities by contacting their financial advisors. If their financial advisors are unavailable, clients can contact Client Services at 1-800-647-7378. In addition, clients can find up-to-date information about the operating status of the firm at <http://www.raymondjames.com>. For questions or more information about Business Continuity at Raymond James, contact the Business Continuity Office at [BusinessContinuity@RaymondJames.com](mailto:BusinessContinuity@RaymondJames.com).

### The Nature of Events: Limitations Disclaimer

Due to the unpredictable nature of events causing significant business disruptions, Raymond James does not guarantee that systems will always be available or recoverable within the timeframes noted above.

<https://www.raymondjames.com/legal-disclosures/business-continuity-planning-disclosure-statement>