

# **WESTPARK CAPITAL – BUSINESS CONTINUITY PLAN**

**Last Updated: July 2024**

## **WestPark Capital Policy**

As a full-service Broker Dealer and Registered Investment Adviser, WestPark Capital (WPC) has developed a Business Continuity Plan (BCP) to ensure our business continuity in the event of a short-term business disruption. WestPark Capital provides a variety of services that require the provision of continual technological and operational support for our brokers/independent investment advisors as well our customers. In connection with accomplishing business continuity, we have established a remotely independent site as a component of our plan. WPC has the resources in place to operate and maintain our broker dealer/RIA business in the event our headquarters in Los Angeles, CA cannot be occupied due to anything from a natural disaster to a terrorist attack whether or not such event affects only WestPark Capital or is more regional in scope. WPC believes restoration of critical processes can happen within a twenty-four-hour time span. Please note that the specifics of our BCP are subject to modification. Updated plans will be promptly posted on our website at [www.wpcapital.com](http://www.wpcapital.com). Alternatively, you may obtain a copy of our most current BCP plan by contacting WPC directly.

## **Updates and Annual Review**

WestPark Capital 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, WestPark Capital will review this BCP at our annual compliance meeting.

It is the policy of WestPark Capital (WPC) to respond to a Significant Business Disruption (SBD) by safeguarding our property and the lives of our employees, by making the appropriate assessments to ensure that we can complete the following:

- 1 – Resume operations**
- 2 – Protect WestPark Capital’s books & records**
- 3 – Allow our customers to continue to conduct business**
- 4 – Allow customers prompt access to funds and securities**

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

The WPC plan anticipates internal and external disruptions. Internal disruptions affect only WestPark Capital’s ability to communicate and conduct business, such as a power outage or fire. External disruptions prevent the operation of the securities markets for several firms, such as an earthquake, terrorist attack or widespread disruption. Our response to an external disruption relies more heavily on other organizations and systems especially including our clearing firm.

## **Approval and Execution Authority**

WestPark Capital's CEO is the registered principal responsible for approving this plan and has the authority to execute this Business Continuity Plan.

### **Plan Location and Access**

WestPark Capital will maintain copies of this Business Continuity Plan and the annual reviews and changes that have been made to it for inspection. An electronic copy of our plan is located on the WPC server in the Data Folder file with our Supervisory Procedures.

### **Business Description**

WestPark Capital's business includes brokerage and registered investment adviser services. WPC's business includes, but is not limited to, equities, mutual funds, and fixed income securities. WestPark Capital is an introducing firm and does not perform any type of clearing function for itself or others. Furthermore, we do not hold customer funds or securities. We accept and enter orders. All transactions are sent to our clearing firm.

The clearing firm executes our orders, compares them, allocates them, clears and settles them. Our clearing firm also maintains our customers' accounts, can grant customers access to them, and delivers funds and securities. WestPark Capital services retail and institutional customers. We also engage in private placements as well as other securities related business.

Our clearing firm is AXOS Clearing LLC ("AXOS"), 15950 W. Dodge Road, Suite 300, Omaha, NE 68118. Telephone: (866) 774-0218.

### **Office Locations**

WestPark Capital has Offices of Supervisory Jurisdiction located in Los Angeles, CA, Irvine, CA, New York, NY, and Boca Raton, FL.

#### **Corporate Headquarters – Los Angeles, CA**

Our Los Angeles Office is located at 1800 Century Park East, Ste. 220. Its main telephone number is (310) 843- 9300. Our employees may travel to that office by means of foot, car, train, bus, and plane. We engage in order taking and entry as well as other general securities business at this location.

#### **New York, NY**

Our New York Office is located at 535 5th Avenue, 22nd Floor, New York NY 10017. Its main telephone number is (347) 429-8380. Our employees may travel to that office by means of foot, car, train, bus, and plane. We engage in order taking and general securities business at this location.

#### **Boca Raton, FL**

Our Boca Raton Office is located at 225 NE Mizner Boulevard, Suite 530. Its main telephone number is (561) 427-2424. Our employees may travel to that office by means of foot, car, subway, train, bus, boat, and plane. We engage in order taking and entry as well as other general securities business at this location.

## **Irvine, CA**

Our Newport Beach Office is located at 2030 Main Street, Suite 210, Irvine, CA 92614. Our main telephone number is 949-590- 4200. Our employees may travel to that office by means of foot, car, train, bus, and plane. We engage in order taking and general securities business at this location.

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

In the event of an SBD, we will move our staff from affected offices to the closest of our unaffected office locations. If none of our other office locations is available to receive those staff, we will instruct them to logon to their computers from their residence and contact all their clients until further notice.

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

WestPark Capital does not maintain custody of customers' funds or securities, which are maintained at our clearing firm, AXOS Clearing LLC. 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, WestPark Capital will post on our Web site that customers may access their funds and securities by contacting AXOS at (866) 774-0218 or <https://axosclearing.figlobal.com/investor/westparkcapital>. WestPark Capital will make this information available to customers via our website ([www.wpcapital.com](http://www.wpcapital.com)). If SIPC determines that we are unable to meet our obligations to our customers or if our liabilities exceed our assets in violation of Securities Exchange Act Rule 15c3-1, SIPC may seek to appoint a trustee to disburse our assets to customers. We will assist SIPC and the trustee by providing our books and records identifying customer accounts subject to SIPC regulation via AXOS Clearing.

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

WestPark Capital maintains its primary hard copy books and records and its electronic records at our main office located at 1800 Century Park East, Suite 220, Los Angeles, CA 90067. The Designated Principal is responsible for the maintenance of these books and records. WestPark Capital maintains hard copies of books and records and electronic records are maintained at our clearing firm.

WestPark Capital maintains its back-up electronically on the cloud.

In the event of an internal or external SBD that causes the loss of our paper records, we can physically recover them from our back-up. 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

can 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.

## **Financial and Operational Assessments**

### **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 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 our Web Site, telephone voice mail, cell phones and secure e-mail. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

### **Financial and Credit Risk**

*Financial risk involves WestPark Capital's ability to fund operations and maintain adequate financing and sufficient capital. WestPark Capital also may face credit risk (where its investments may erode from the lack of liquidity in the broader market), which would also hinder the ability of WestPark Capital's counter-parties to fulfill their obligations.*

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 counter-parties 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.

## **Pandemic Preparedness**

WestPark Capital's is designed to address pandemic preparedness and response to a pandemic with the intent of (1) stopping, slowing or otherwise limiting the spread of a pandemic to WPC sites and its personnel; (2) sustaining infrastructure; and (3) mitigating impact to our critical business functions and our customers.

To prevent the spread of a Pandemic WPC (1) has hand sanitizers readily available throughout their offices (2) has offices cleaned by professional cleaning crew regularly (3) mandatory rule if someone is sick they must not come in to the office (4) technology to allow personnel to work from home.

In the event of a Pandemic WPC may implement any or all of the following (1) allowing personnel to work from home (2) minimization of group meetings (3) travel restrictions and

quarantines (voluntary or mandatory based on CDC recommendations) (4) increased allowable sick time (5) distribution of face masks and sterilized vinyl gloves.

## **Mission Critical Systems**

WestPark Capital'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: AFS trading system (web based). The system allows for the following: order taking, entry, execution, comparison, allocation, clearance and settlement of securities transactions, maintenance of customer accounts and access to customer accounts.

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, order entry and execution. Our 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.

Our clearing firm contract 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 its plan that might affect our ability to maintain our business and present us with an executive summary of their plan, which is attached. In the event our clearing firm executes its plan, it represents that it will notify us of such execution and provides 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 and out of region 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 periodic 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. Our clearing firm has the following SBD recovery time and resumption objectives: recovery time of a few hours; and resumption time depending on current time of SBD within same business day or 24 hours.

## **Order Taking**

Currently, WestPark Capital receives orders from customers via telephone as well as through in person visits by the customer. During an SBD, either internal or external, we will allow customers to call in orders themselves. 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 via telephone. If necessary, we will advise our customers to place orders directly with AXOS at (866) 774-0218.

## **Order Entry**

Currently, WestPark Capital enters orders by sending them to our clearing firm electronically or telephonically.

In the event of an internal SBD, we will enter and send records to our clearing firm by the fastest alternative means available, which may include fax and/or e-mail. In the event of an external SBD, we will maintain the order in paper format, and deliver the order to the clearing firm 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 our clearing firm for order entry.

## **Order Execution**

We currently do not execute orders ourselves. Our clearing firm, AXOS, executes orders.

## **Other Services Currently Provided to Customers**

In addition to those services listed above in this section we also receive requests for journals of securities, monies and stock certificates to be sent out to customers, stock receipt, address changes and overall customer service. In the event of an internal SBD, we would request all customers to contact AXOS directly at (866) 774-0218. In the event of an external SBD, we would document all requests and forward to our clearing firm via best available means. If none are available, we will notify customers of delay, then forward to our clearing firm as soon as possible.

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

WestPark Capital relies, by contract, on our clearing firm to provide order execution, order comparison, order allocation, and the maintenance of customer accounts, delivery of funds and securities, and access to customer accounts.

## **Alternate Communications between WestPark Capital and Customers, Employees, and Regulators**

### **1 – Customers**

We now communicate with our customers using the telephone, e-mail, our website, fax, mail, and in personal visits at our WestPark Capital or other locations. 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.

## **2 – Employees**

We now communicate with our employees using the telephone, e-mail, and cell phone 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 Richard Rappaport.

<b>Caller</b>	<b>Call Recipients</b>
Richard Rappaport	Frank Salvatore, Doug Kaiser, Jason Stern and Investment Banking
Jason Stern	Los Angeles Employees
Frank Salvatore	All OSJ Mangers & Operations Staff
Doug Kaiser	Research and Institutional Sales
OSJ Managers	All reps they supervise

## **3 – Regulators**

We are currently members of the following SROs: FINRA. We communicate with our regulators using the telephone, e-mail, fax, and 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.

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

### **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 account is: AXOS Bank, 4350 La Jolla Village Drive, Suite 140, San Diego, CA 92122. Our Proprietary Account of Introducing Brokers/Dealers (PAIB account) is maintained at AXOS Clearing Corporation

### **Counter-Parties**

We have contacted our critical counterparties, 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 counterparties directly to make alternative arrangements to complete those transactions as soon as possible.

### **Regulatory Reporting**

WestPark Capital is subject to regulation by: SEC & FINRA in all states. We 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, 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.

### **Disclosure of Business Continuity Plan**

We provide in writing a BCP disclosure statement to customers annually. We also post the disclosure statement on our Web site and mail it to customers upon request.