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## **Integrity Brokerage Services, Inc. Business Continuity Plan (BCP)**

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

In the event of any emergency or event causing the firm to cease operation or any other catastrophic event the following two persons should be contacted.

- 1. Joshua Helmle, Registered Principal and Chief Executive Officer.  
Cell: 760 458-9369; Email: [joshua@integrity-brokerage.com](mailto:joshua@integrity-brokerage.com).**
  
- 2. Andrea Wood, Registered Rep Cell: 317 341 1670; Email:  
[awood@integrity-brokerage.com](mailto:awood@integrity-brokerage.com)**

### **II. Firm Policy**

Although the firm does not expect any significant disruption in business, we must, in an effort to protect our client interests, prepare a contingency plan to assure continued operations and the ability for clients to execute trades and access their funds. Any major business disruption will be addressed swiftly so we are able to continue operations. The C.E.O. will execute the plan and in the event of his incapacitation the Operations Manager will have authority. 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 or phones/internet access being interrupted. 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 COR Clearing LLC, our clearing firm.

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

Joshua Helmle, a registered principal and C.E.O., is responsible for approving the plan and for conducting the required annual review. Joshua Helmle 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. We have given our FINRA core examiner of the Los Angeles office a copy of our plan. An electronic copy of our plan is located on the local drive in the firm folder/IBSI/Compliance/BCP/BCP Document file. A file is also maintained on the IBSI website.

### **III. Business Description**

Integrity Brokerage Services, Inc. is a full service retail brokerage firm. We conduct a business in equity, fixed income, and derivative securities. Our firm 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, which executes them, 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. Our firm services retail and institutional customers.

Our clearing firm is COR Clearing at 1200 Landmark Center Ste.800 Omaha, NE 68102. [Client.service@corclearing.com](mailto:Client.service@corclearing.com) is the contact email at the clearing firm.

### **IV. Office Locations**

Oceanside, CA- Registered OSJ/Corporate Office. Auto, general public transportation, bicycle. All mission critical operations take place here. This is general corporate headquarters.

#### A. Oceanside, CA

Our Oceanside, CA office is located at 1945 Stewart St. Oceanside, CA. The main telephone number is 760-231-8448. Our employees may travel to that office by means of auto, general public transportation, and bicycle. We engage in order taking and entry, account acceptance, advertising review, general service and corporate decisions are made at this location.

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

In the event of an SBD, we will move our staff from affected offices to 500 East 96<sup>th</sup> Street Ste. 455 Indianapolis, IN 46240. The main telephone number there is 317-218-2101, however we will not use this number because the phones will be transferred over immediately to this number and a cell phone and we will resume normal function.

### **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, COR Clearing. 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 Web site that customers may access their funds and securities by contacting COR Clearing directly at 800-776-5778. Integrity Brokerage Services, Inc. will make this information available to customers through our disclosure policy.

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.

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

Integrity Brokerage Services, Inc. maintains its primary hard copy books and records and its electronic records at 1945 Stewart St Oceanside, CA. Joshua Helmle, CEO (760-231-8448) 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: Account statements, New Account forms, registered representative files, financial records (balance sheets and income statements), order tickets, and required FINRA files (correspondence, advertising, receive logs).

Our firm maintains its back-up hard copy books and records at 1945 Stewart St. Oceanside, CA. These records are actual hard copy account statements, new account statements and registered representative documents. Joshua Helmle (CEO, 760-231-8448) is responsible for the maintenance of these back-up books and records. Our firm backs up its original paper records by taking them to our back-up site after scanning them into our corporate office system.

All electronic back ups are maintained by Joshua Helmle at Solid Integration 33700 Sattui Street Temecula, CA 92592 (our email and technology provider. The firm backs up its account documents every week to a cloud server via Sugarsync. The corporate computer is backed up weekly. Most electronic information is available online through the COR Clearing backoffice website.

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.

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

The firm will conduct a review of the BCP annually (beginning of each year), unless a material change to the business happens. In that event we will adjust the plan to accommodate any major change in processes, location or changes in data. The CPA representing the firm has back up copies of all financial documents. If this changes we will adjust the BCP to properly backup and store the financial documents.

### **A. Operational Risk**

In the event of an SBD, we will immediately relocate our personnel to our back up office site at 500 East 96th Street Ste. 455 Indianapolis, IN 46240. The relocations will permit us to communicate with our customers, employees, critical business constituents, banks, critical counter-parties, and regulators. Although the effects of an SBD will determine the means of alternative communication our website will be active because the web server is maintained off site, the telephone and voicemail will be forwarded to our back up location and email will also not be affected because our email server is maintained off site. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic). In addition, most information that clients and employees will require are web based and maintained off site by COR Clearing.

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

Even a SBD will not reduce the value and liquidity of our investments and will not inhibit our ability to continue to fund our operations. We will remain in capital compliance. If there is a situation that does in fact cause our capital to be significantly reduced 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, including calling our FINRA core examiner, the Securities Division of the California Department of Corporations and the SEC via phone, fax or email.

## **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, 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

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, entry and execution. Our clearing firm provides, through contract, 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. In the event our clearing firm executes its plan, it represents that it will notify us of such execution and provide us with 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, and it has confirmed that it tests its back-up arrangements every time period.

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 period of and resumption time.

## A. Our Firm's Mission Critical Systems

### **1. Order Taking**

Currently, our firm receives orders from customers via telephone. 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 voice mail messages, email alerts or web site news updates. If necessary, we will advise our customers to place orders directly with COR Clearing, our clearing firm, at 800-776-5778.

## **2. Order Entry**

Currently, our firm enters orders by recording them on paper and sends them to our clearing firm electronically or telephonically. We submit to COR Clearing using the Go Trader system or via telephone directly to our clearing firm.

In the event of an internal SBD, we will enter and send records to our clearing firm by the fastest alternative means available, which include telephone, cellular phone or email. In the event of an external SBD, we will maintain the order in paper format and deliver the order to the clearing firm using the fastest means available when it resumes operations or directly to a market maker via the Go Trader trading system. In addition, during an internal SBD, we may need to refer our customers to deal directly with our clearing firm for order entry.

## **3. Order Execution**

We currently execute orders by sending them to the GoTrader internet based system or by telephone. In the event of an internal SBD, we would attempt to transmit using Radius or GoTrader, but if internet access is down we would attempt using telephone. If all are not available we would use cellular phones. However, we would have access to both internet and telephone after relocating to the back up site. Estimated time before being up is 20 minutes. During this time any of the previously mentioned methods for transmitting orders will be used. In the event of an external SBD, we would use GoTrader or telephone to directly contact market makers with the ability to execute any equity trades.

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

Aside from trade execution and account information, provided by our trading desk, and the COR Clearing client website, no other services are provided to customers.

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

Our firm 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.

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

### **A. Customers**

We now communicate with our customers using telephone, e-mail, our Web site, fax, 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. Clients may also visit our back up location where we will have access to telephone and internet. This will prevent our firm from having any significant disruption in client service.

### B. 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. The CEO will contact all employees quickly and inform them of the SBD. Employees include all staff and registered representatives home and office phone numbers.

### C. Regulators

We are currently members of the following SROs: the FINRA, California Department of Corporations and SIPC. 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. However, we can prevent our firm from having any significant communication disruptions when using our back up location where we will have access to telephone and the internet. Using the back up location we should be able to maintain SRO contact.

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

### A. Business constituents

We have contacted our critical business constituents: COR Clearing, Market Makers (CDRG) and Mission Federal Credit Union. We have an ongoing business commercial relationship with these firms in which they support our operating activities. We have determined that we can continue our business relationship with these firms even if we face an 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 a SBD to them or our firm. We do not have any major suppliers of any goods. As for services, we need only prepare for alternatives for the firms listed above. These firms have their own BCP and we will still be able to communicate with all of them if they have an SBD. Our back up business site will accommodate our needs should we have an internal SBD.

### B. Banks

We have contacted our bank as stated above. They would be able to provide emergency financing, in the form of a line of credit, if an internal SBD were to hit the firm. The

bank maintaining our operating account is Mission Federal Credit Union, 710 Carlsbad Village Dr, Carlsbad, CA / 800 500-6328 / contact Branch Manager. The bank maintaining our Proprietary Account of Introducing Brokers/Dealers (PAIB account) is COR Clearing, 1200 Landmark Center Ste. 800 Omaha, NE 68102. Attention: Client Services.

### C. Counter-Parties

We do not have any counter-parties that we need to prepare or contact in relation to a SBD.

## **XII. Regulatory Reporting**

Our firm is subject to regulation by FINRA, SEC, California Department of Corporations, and SIPC. We now file reports with our regulators using 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 they request. As for an internal SBD, we will still be able to utilize our existing reporting methods. Our reports are submitted by our CPA located in another city and if they have an issue then we will be able to report using connections in our corporate or back up offices.

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

We disclose in writing a summary of our BCP to customers at account opening by emailing the BCP summary or directing them to our website. If they do not have internet or email access we provide a written copy of the statement. We also direct our clients to review the BCP summary and any corresponding changes on our website annually. Our summary addresses the possibility of a future SBD and how we plan to respond to events of varying scope. Below is our Summary.

In the even that Integrity Brokerage Services, Inc. undergoes a Significant Business Disruption we have planned for and will address various issues.

In the event that our corporate office location or local business district area is damaged, destroyed or prevents us from utilizing our computers, phones or other equipment we have the following plan in place. We will utilize our back up office location, which has phones, computers and internet access allowing us to seamlessly meet your investment needs. We plan on 100% continued business operation. Our phones can be remotely forwarded to our back up location in a matter of minutes and our telecommunication links are already in place and ready to be utilized.

In the event that the entire city, region or state is damaged, destroyed or prevents us from utilizing our office computers, phones or other equipment we have the following plan in place. We will utilize our clearing firm to handle equity orders. Our phone message will be adjusted to provide an alternate telephone number (800-776-5778) directly to the COR Clearing trading desk for orders and customer service assistance. We plan on 100% continued business operation with the help of our business partner, COR Clearing.

Our back up facility is located at 500 East 96th Street Ste. 455 Indianapolis, IN 46240 for the first scenario and 1200 Landmark Center Ste. 800 Omaha, NE 68102 for a the second scenario. The plan above is proprietary and this information is only for clients and associated people of Integrity Brokerage Services, Inc. The above plan is subject to frequent review and modification. Any changes made will be immediately updated and posted on our website [www.integrity-brokerage.com](http://www.integrity-brokerage.com). You may request a written copy of the plan at any time.

#### **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 January, to modify it for any changes in our operations, structure, business, our location or those of our clearing firm.

#### **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.

Signed: Joshua Helmle  \_\_\_\_\_

Title: Chief Executive Officer

Date: 05/01/18