

Titleist Asset Management, Ltd. Business Continuity Plan

Titleist Asset Management, Ltd. (“TAM”) has developed a Business Continuity Plan (“BCP”) explaining how TAM will respond to events that may significantly disrupt TAM’s commitment to efficiently and effectively service your investment needs. The purpose of this document is to provide you with a summary of the actions TAM will undertake to respond to a significant business disruption at either your Registered Representative’s local office or TAM’s corporate office.

I. Emergency Contact Persons

Our firm’s emergency contact persons are:

- Enrique Araiza | earaiza@tamgmt.com | 713.859.2416
- Joe-Ben O’Banion | jobanion@tamgmt.com | 210.843.7999
- Byron Fields | bfields@tamgmt.com | 512.657.5718
- Neil Kalb | nkalb@tamgmt.com | 210.325.8359

The Firm will review, and if necessary, update, this information within 17 business days after the end of each calendar year.

**Rules to note regarding a firm’s BCP and its obligations: [FINRA Rule 4370](#); [FINRA Rule 4517](#)*

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 Disruption (“SBD”)

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.

b. Approval and Execution Authority

Enrique Araiza, a registered principal and the Firm’s Chief Compliance Officer, is responsible for conducting the required annual review. Enrique Araiza, Joe-Ben O’Banion and Byron Fields have 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 TAM's server and/or backup locations.

III. Business Description

Our firm conducts 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 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. Our firm services retail and institutional customers. We do not engage in any private placements.

TAM has the following clearing and custodial relationships:

AXOS Clearing, LLC ("AXOS"): They are located at 1200 Landmark Center, Suite 800, Omaha NE 68102-1916. General contact information for NFS: phone – 866.774.0218, website – [AXOS Clearing](#). AXOS has assigned TAM a dedicated team and support systems including a Relationship Manager/Account Manager and technical support team. In the event that our firm experiences a significant business interruption, we may contact AXOS directly to process trade transactions, asset movements or other matters as necessary.

Charles Schwab & Co., Inc. ("Schwab"): They are located at 211 Main Street, San Francisco, CA 94105. General contact information for Schwab: phone – 877.774.3892, option 3, website – [Charles Schwab](#). Schwab has assigned TAM a dedicated team and support systems including a Relationship Manager/Account Manager and technical support team. In the event that our firm experiences a significant business interruption, we may contact Schwab directly to process trade transactions, asset movements or other matters as necessary.

Raymond James Financial, Inc. ("RJFS"): They are located at 880 Carillon Parkway, St. Petersburg, FL 33716. General contact information for Schwab: phone – 800.237.8691, website – [Raymond James](#). RJFS has assigned TAM a dedicated team and support systems including a Relationship Manager/Account Manager and technical support team. In the event that our firm experiences a significant business interruption, we may contact RJFS directly to process trade transactions, asset movements or other matters as necessary.

TD Ameritrade, Inc. ("TDA"): They are located at 200 South 108th Avenue, Omaha, NE 68154. General contact information for Schwab: phone – 800.431.3500, website – [TD Ameritrade](#). TDA has assigned TAM a dedicated team and support systems including a Relationship Manager/Account Manager and technical support team. In the event that our firm experiences a significant business interruption, we may contact TDA directly to process trade transactions, asset movements or other matters as necessary.

SEI Investments Distribution, Co. ("SEI"): They are located at One Freedom Valley Drive, Oaks, PA 19456. General contact information for SEI: phone – 800.342.5734, website – [SEI](#). SEI has assigned

TAM a dedicated team and support systems including a Relationship Manager/Account Manager and technical support team. In the event that our firm experiences a significant business interruption, we may contact SEI directly to process trade transactions, asset movements or other matters as necessary.

IV. Office Locations

a. Office Location #1

We are headquartered at 777 E. Sonterra Blvd., Suite 330 in San Antonio, TX 78258. Its main telephone number is 210.826.2424. Our employees may travel to that office by means of foot, car, train, bus, bike, plane, etc. We engage in order taking and entry at this location.

b. Office Location #2

Our secondary location is located at 4919 Oak Shadows Drive in Houston, Texas 77091. Its main telephone number is 210.942.1888. Our employees may travel to that office by means of foot, car, train, bus, bike, plane, etc. We engage in order taking and entry at this location.

c. Office Location #3

Our secondary location is located at 2301 South Capital of Texas Highway, Suite J-101, Austin, TX 78746. Its main telephone number is 512.212.4606. Our employees may travel to that office by means of foot, car, train, bus, bike, plane, etc. We engage in order taking and entry at this location.

V. Alternative Physical Location(s) of Employees

In the event of an SBD, we will move our staff from affected office(s) to the closest of our unaffected office location(s).

VI. Customers' Access to Funds and Securities

Our firm does not maintain custody of customers' funds or securities, which are maintained at one of our custodial relationships mentioned above. In the event of an internal or external SBD, if telephone service is available, our registered persons and associates 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 the appropriate custodian mentioned above. The firm will make this information available to customers through its 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. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take appropriate steps, including securing lines of credit. 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)

Our firm maintains its primary hard copy books and records and its electronic records at 777 E. Sonterra Blvd., Suite 330 in San Antonio, TX 78258. Enrique Araiza 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: Internal new account forms, disclosure documents, investment company applications, etc.

The firm backs up its electronic records daily by secure, encrypted file structure over the Internet to E-Folder at 2340 Perimeter Park Dr., Suite 200 in Atlanta, GA 30341, and keeps a copy at 777 E. Sonterra Blvd., Suite 330 in San Antonio, TX 78258.

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

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 counter-parties and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will, to the best of our ability, include www.tamgmt.com and telephone number. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

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 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 securing lines of credit.

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. More specifically, these systems include: Internet connected workstations with access to all the above referenced custodial and clearing firms.

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 firms provide, through contract, the execution, comparison, allocation, clearance and settlement of securities transactions, maintenance of customer accounts, access to customer accounts and the delivery of funds and securities.

Our clearing firm contracts provide that our clearing firms will maintain a business continuity plan and the capacity to execute that plan. Our clearing firms represent that it will advise us of any material changes to its plan that might affect our ability to maintain our business [and has presented us with an executive summary of its plan]. In the event our clearing firms execute its plan, it represents 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 firms have 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 firms represent that it will assist us in seeking services from an alternative source.

Our clearing firms represent that it backs up our records at a remote or geographically separate site. Our clearing firms represent 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 firms have 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 no less than annually.

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 firms provide recovery time, resumption time and other important Mission Critical Systems information on its website through its Statement of Business Continuity Management.

A. *Our Firm's Mission Critical Systems*

i. Order Taking

Currently, our firm receives orders from customers via telephone or in face-to-face meetings 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, to the best of our

ability, of alternatives via our company's website, www.tamgmt.com. If necessary, we will advise our customers to place orders directly with the clearing firms referenced above.

ii. Order Entry

Currently, our firm enters orders electronically and sends them to our clearing firms either electronically or telephonically. In the event of an internal SBD, we will enter and send records to our clearing firms by the fastest alternative means available, which include telephone communication, website, email or fax. In the event of an external SBD, we will maintain the order in electronic or paper format, and deliver the order to the clearing firms 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 firms for order entry.

iii. Order Execution

We currently do not execute orders.

B. Mission Critical Systems Provided by Our Clearing Firm

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

C. Alternate Communications between the Firm and Customers, Employees, and Regulators

i. Customers

We currently communicate with our customers using the telephone, e-mail, website, fax, U.S. postal service, courier, UPS, FedEx, etc. and face-to-face meetings 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 email 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.

ii. Employees

We now communicate with our employees via telephone, e-mail and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. We will also employ a call tree so that senior management can reach all employees quickly during an SBD.

The persons to invoke use of the call tree are Enrique Araiza, Joe-Ben O'Banion or Byron Fields.

iii. Regulators

We are currently members of the following self-regulatory organizations (“SRO”): SEC, FINRA, MSRB, SIPC and Texas State Securities Board. We are also a Registered Investment Advisor and subject to the SEC’s oversight. We communicate with our regulators using telephone, e-mail, website, fax, U.S. postal service, courier, UPS, FedEx, etc. 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.

II. Critical Business Constituents, Banks, and Counter-Parties

A. Business constituents

We have contacted our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services), and determined the extent to which we can continue our business relationship with them in light of the internal or external SBD. We will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when we need them because of a SBD to them or our firm. We have entered into a supplemental contract with certain critical business constituents to provide such services.

B. Banks

We have contacted our banks and lenders to determine if they can continue to provide the financing that we will need in light of the internal or external SBD. If our bank(s) and other lenders are unable to provide the financing, we will seek alternative financing immediately.

C. 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.

III. Regulatory Reporting

Our firm is subject to regulation by FINRA, SEC, various state securities and insurance departments. We now file reports with our regulators using paper copies in the U.S. mail, electronically, fax, email, 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.

Primary Regulatory Contact: Paxton Dunn, FINRA Regulatory Coordinator
Paxton.Dunn@finra.org | 972.716.7640

IV. Disclosure of Business Continuity Plan

We post our Business Continuity Plan on our website, www.tamgmt.com, and mail it to customers upon request.

V. 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 firms. In addition, our firm will review this BCP annually to modify it for any changes in our operations, structure, business or location or those of our clearing firms.

VI. Senior Manager Approval

Joe-Ben O'Banion has approved this Business Continuity Plan as reasonably designed to enable our firm to meet its obligations to customers in the event of an SBD.