

# **Wilson-Davis & Co. Inc.**

## ***Business Continuity Plan 2016***

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

**Primary Emergency Contact:**

William Walker 801-532-1313 W 801-546-0786 H 801-842-2317 Cell  
E-Mail = [bwalker@wdco.com](mailto:bwalker@wdco.com)

**Secondary Emergency Contact:**

James C. Snow 801-532-1313 W 801-891-2470 Cell  
E-Mail = [jsnow@wdco.com](mailto:jsnow@wdco.com) Back-up E-Mail [jsnow@xmission.com](mailto:jsnow@xmission.com)

**Third Emergency Contact:**

Byron B. Barkley 801-532-1313 W 801-277-1819 H 801-910-4849 Cell  
E-Mail = [bbarkley@wdco.com](mailto:bbarkley@wdco.com) Back-up E-Mail = [byronb46@gmail.com](mailto:byronb46@gmail.com)

### **II. Firm Policy**

Wilson-Davis & Co. Inc. will respond to any Significant Business Disruption by first safeguarding employees and then firm property. We will make every effort to resume operations quickly and efficiently. WD has taken steps to protect the firm's books and records, which will allow customers quick and accurate access to cash and securities.

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

This 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, earth quake, epidemics, or other regional disruption.

#### **B. Pandemics**

The Firm tested to ensure that they are prepared for the following risks contained in FINRA regulatory notice 09-59.

**Absenteeism** – The Firm in the event of 25% absenteeism is prepared to either move their operations to Denver or if Denver is affected move their operations to the Salt Lake City main office. The majority of their employees have been cross trained on all the front and back office functions. The firm is also prepared to process the business manually if necessary. The majorities of the firm's employees have many years of experience in all facets of the industry and have the ability to step in employee's roles to conduct the daily business.

**Telecommuting** – The firm has taken the appropriate measures to ensure telecommunications and remote work arrangements will function as designed and

intended during a pandemic. They have tested using the Denver office to clear trades and perform the day to day functions. They are also prepared to have their employees work from home as they all have connectivity via home computers.

Presently have employees Telecommuting.

**Key Dependencies** – The firm has identified their key dependencies and risks (see section IX of the BCP plan) a pandemic poses to these relationships. The firm has duplicate access to DTC via email and has back-up access points for all the other mission critical systems mentioned above.

### C. Approval and Execution Authority

Lyle W. Davis Chairman and a registered principal, is responsible for approving the plan and the required annual review. Lyle W. Davis Chairman, Byron B. Barkley Vice President, registered principal, James C. Snow President, registered principal, and William Walker Vice President/Secretary , registered principal, have the authority to execute this Business Continuity Plan.

### D. Plan Location and Access

Wilson-Davis will maintain copies of its BCP plan, the annual reviews, and the changes that have been made to it for inspection. Non-Proprietary portions of the plan will be available on our website at [www.wdco.com](http://www.wdco.com). An electronic copy of our plan is located on critical file back-up managed by James C. Snow. Critical files backed are maintained off premises and updated daily.

## **III. Business Description**

Wilson-Davis & Company, Inc. is a small regional Broker/Dealer established December 23, 1968, headquartered in Salt Lake City, Utah. Wilson-Davis is a Self-Clearing Firm. We conduct business in equity, fixed income and some derivative securities. All orders we accept are executed by Wilson-Davis with exception of option accounts which are sent to our clearing firm. Wilson-Davis maintains all customer accounts and accepts and disburses funds and securities (except fully disclosed accounts). Wilson-Davis provides market making services for our retail and wholesale customer accounts through its trading departments.

## **IV. Office Locations**

Wilson-Davis has wholesale trading offices in the locations listed below. No retail business is conducted in offices other than Salt Lake City, Utah.

- 6901 South Yosemite Street Suite 206  
Centennial, Colorado 80112  
800-628-7271
- 9 Chateau Court  
Rancho Mirage, CA 92270  
747-888-6008
- 965 Whippoor Whill Rd  
West Palm Beach, FL 33411

## **V. Alternative Physical Locations**

In the event of a Significant Business Disruption Wilson-Davis will be able to use any or all the office locations around the country. (Listed Above)

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

- **Activate Business Continuity Plan**
- **Retrieve Customer Assets from Safe**
- **Contact Hill Top Securities Inc. for Customer Position Report**
- **Run Cash Customer Position Report**
- **Contact Key Bank to authorize funds access**
- **Utilize WD Alternate Locations to have access to the Depository Trust Corporation.**
- **Utilize Alternate Location, either local or out of state, to restore information feeds. Only PC's required.**
- **Customers may wish to contact our Denver Colorado Office at 800-628-7271, or our California Office 747-888-6008 and visit our website: [www.wdco.com](http://www.wdco.com).**
- **Wilson-Davis is a member of the Securities Investor Protection Corporation. (SIPC)**
- **If necessary, start Manual Systems to accommodate Customer Requests**

## **VII. Data Back-Up and Recovery**

- **Margin and Options accounts are maintained by our Clearing Firm Hill Top Securities Inc.**
- **Customers records are maintained and backed up by FIS Global. They maintain back up for seven years. They have back up and hot site facilities for emergency access.**
- **Customer data can be accessed on any Personal Computer at our Primary, Alternate or any other location.**

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

1. **Activate Business Continuity Plan**
2. **Communicate with Customers by any, and all available mediums.**
3. **Restore Customer access vis FIS Global and Hill Top Securities.**
4. **Contact Key Bank to authorize access to Bank Accounts.**
5. **Access Depository Trust Corporation from an alternate location**
6. **Process normally or Start Manual Systems if necessary.**
7. **Contact regulators and advise status.**

## **IX. Mission Critical Systems**

- **Depository Trust Corporation Access (Securities Repository)**
- **FIS/Sungard Trading Systems (BRASS) For Order entry, execution, processing and regulatory reporting.**
- **FIS Global for Back Office Systems**
- **Market MP Systems for Retail Broker Information.**
- **NASDAQ Market Systems for market making activity.**
- **OTC Markets (Pink Sheets) Systems for market making activity**
- **Hill Top Securities Inc. for Option and Margin Customers.**
- **Internet Service and Access.**

All Mission Critical Systems are accessible via the Internet from any location or via the Wilson-Davis Networks presents in all locations listed in Other Locations Item IV.

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

- **Wilson-Davis will communicate with *Customers, Employees, and Regulators* by all means available to include but not limited to Telephone, Cell Phone, E-Mail, Regular Mail, Facsimile, and further use of the Internet.**
- **Wilson-Davis will use alternate locations as a base of operations for these communications. Critical Data can be restored on any personal computer at a number of locations including the homes of the Firm's Principals.**

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

- **Wilson-Davis considers the following *Critical Business Constituents***
  - **NSCC - Carlos Martinez- Daily Clearing Deposit 813-470-1210**

- Hill Top Securities - Clearing Firm for Options & Margin Business  
Lana Carlton- 214-859-9228
  - Key Bank -Firm Bank – 801-297-5700
  - Depository Trust Corporation - Carlos Martinez – 813-470-1210  
FINRA District Office Denver Colorado – 303-446-3100
  - FINRA - FINRA ROAR Group New York, NY 646-315-8383
  - FIS Global – 888-323-0310
- Wilson-Davis can use offices located in other states to continue communications with its *Critical Business Partners*. Each branch office is connected already or could be easily connected to each partner.

## **XII. Regulatory Reporting**

- Wilson-Davis presently completes all regulatory reports via the Internet. If the Internet is not available in any location, we would contact all regulators for filing instructions.
- FINRA Denver District Office, FINRA ROAR Group New York, NY, Internal Revenue Service, State of Utah, Division of Securities, Securities & Exchange Commission (SEC), NASDAQ Stock Exchange.

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

Wilson-Davis discloses a short summary of its Business Continuity Plan in writing when customers open new accounts. We also from time to time enclose a copy with our Quarterly Statements, and the summary is also posted on the Internet. See Disclosure Document Attached.

## **XIV. Updates and Annual Review**

Wilson-Davis will update the plan whenever changes in operation methodology would mandate. The plan will be reviewed on an annual basis as required by Regulators.

## **XV. Senior Manager Approval**

\_\_March 10, 2017\_\_  
Date

\_\_\_\_\_  
Lyle W. Davis, Chairman of the Board

Updated: March 10, 2017