

# **PURSUIT CAPITAL MARKETING, LLC**

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## **AMENDED BUSINESS CONTINUITY PLAN**

**September 1, 2010**

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**PURSUIT CAPITAL MARKETING, LLC  
BUSINESS CONTINUITY PLAN**

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## ARTICLE I - INTRODUCTION

### A. Business Disruptions

Pursuit Capital Marketing, LLC (*Pursuit Capital*) is aware that its activities could be disrupted at any time by a disaster (*Disaster*) that could seriously, materially affect its ability to access its offices, communicate with third parties or otherwise carry out its obligations to clients. Disasters could be local to Pursuit Capital (*Internal*), such as a disruption of computer systems or a fire in Pursuit Capital's office. Alternatively, Disasters may be national or international in nature (*External*) such as a flood, hurricane, terrorist attack or disruption of the financial markets. Because Pursuit Capital does not manage client assets or provide advice about investments, it is not affected to the same extent as would be a firm that provides management services to clients. Consequently, Pursuit Capital has assessed its activities and believes that it would be equally affected by Internal and External Disasters. Pursuit Capital's concern in any kind of a Disaster is the protection of Associated Persons, the protection of Client information, the preservation of data that is critical to its business and the ability to maintain communications with clients and other third parties.

### B. The Firm

Pursuit Capital provides marketing services for investment money managers (**Asset Managers**). Pursuit Capital markets the services of the Asset Managers to prospective advisory clients (**Prospective Clients**), which primarily include institutional investors, pension plans and other legal entities usually meeting regulatory definitions of "qualified" or "accredited" investors. Pursuit Capital generally receives a share of advisory fees from the Asset Manager for clients obtained by the Asset Manager through the services of Pursuit Capital. Pursuit Capital is adopting this Business Continuity Plan to provide a means for both its Asset Managers and Prospective Clients (collectively, *Clients*) to contact Pursuit Capital in the event of a disruption to its business and to assure that any critical documents or records are protected.

Some Asset Managers who are clients of Pursuit Capital manage assets for Prospective Clients through investment vehicles, such as privately offered investment partnerships, registered investment companies or exchange-traded funds. Pursuit Capital is registering as a broker-dealer to have the flexibility to become involved in the offer of these securities when marketing the services of its Asset Manager Clients. Pursuit Capital currently interacts exclusively with registered investment advisers, consultants or internal representatives of institutional investors (collectively, *Representatives*) and does not have any contact with the ultimate investor (*Prospective Client*).

Pursuit Capital does not anticipate that the relationship would change, but that its marketing services could include descriptions of the securities offered by its Asset Manager clients. Its services would be that of a wholesaler of the securities offered by the Asset Manager in describing the securities to the Representative. The Representative on behalf of the Prospective Client, would make the decision about the purchase of any securities from the Asset Manager. Pursuit Capital would be responsible for assuring that Pursuit Capital personnel provide the Representative with all available information about the security, including its risks, objectives, time horizon and fees. Since Pursuit Capital never meets the Prospective Client, Pursuit Capital would not be involved in decisions involving suitability or disclosure to clients.

## **C. Policy**

It is the policy of Pursuit Capital to take the steps necessary to allow Pursuit Capital to protect its Associated Persons, protect Client information and preserve Pursuit Capital's ability to communicate with and represent its Clients, with a minimum amount of disruption in the event of a Disaster. Pursuit Capital is adopting this Business Continuity Plan (*Plan*) to implement this policy.

## **ARTICLE II - ADOPTION AND OVERSIGHT**

### **A. Approval**

This Plan must be approved and adopted by a majority of the members of Pursuit Capital. Any changes to the Plan must also be approved by a majority of the members of Pursuit Capital Marketing, LLC.

### **B. Responsibility and Oversight**

The Chief Compliance Officer is responsible for overseeing the implementation and maintenance of the Plan. Any persons who have questions about the Plan or comments about its application should contact the Chief Compliance Officer.

### **C. Review of the Plan**

The Chief Compliance Officer must review the Plan at least once each calendar year and more often if there are any material changes to the firm's operations, structure, staff or business. The Chief Compliance Officer shall evaluate the adequacy of the Plan based on the then current firm operations, structure and business, and the then current locations of firm offices and property. The Chief Compliance Officer shall prepare any amendments necessary to the Plan and present them to the Members for their approval.

### **D. Emergency Contact Persons**

The Plan must designate at least two (2) Emergency Contact Persons who are responsible for communicating with Associated Persons, Clients and others in the event of a Disaster. The names of Pursuit Capital's Emergency Contact Persons are listed on Appendix I. The Chief Compliance Officer shall assure that the firm has at least two Emergency Contact Persons and that their names have been provided to Associated Persons, Clients and any regulatory authority having jurisdiction over Pursuit Capital that requests the information or that requires the names to be filed with the authority. In the event an Emergency Contact Person is unable or unwilling to continue serving as an Emergency Contact Person, the Chief Compliance Officer shall propose an alternate Emergency Contact Person to the Members for their approval.

## **ARTICLE III - PROCEDURES IN THE EVENT OF A DISASTER**

### **A. Emergencies**

The Chief Compliance Officer shall assure that the office has in place an emergency evacuation plan and that the office conducts drills at least once a year. If any office of Pursuit Capital is subject to an immediate emergency, such as explosion, fire or act of nature, the senior officer then present in the office shall decide if the office should be evacuated and shall provide

appropriate instructions to all persons then present in the office. The appropriate instructions are posted in the break room of the office. In addition, the evacuation instructions are incorporated by reference to the Plan.

## **B. Location of Firm Activities**

If there is a Disaster that prevents Associated Persons from accessing the office, Pursuit Capital has made arrangements to continue to provide services from the locations listed on Appendix II. Associated Persons should contact either Robert Callaghan or Gregory Garland either using the contact information in Appendix II for information on where they should report to work. If it is impossible or impractical to use the alternative locations listed on Appendix II, the Chief Compliance Officer will locate another location at the time of the Disaster and will notify all Clients and Associated Persons of the location. If Clients or Associated Persons are uncertain where to go in the event of a Disaster, they should contact the different sources noted above for instructions.

## **C. Access to Firm Systems**

In the event of a Disaster that prevents access to the office, the Chief Compliance Officer or a Manager of the Firm shall determine if the firm's computer systems are accessible or if the firm needs to use a back up system. If the Disaster does not interrupt electronic communications, all Associated Persons should be able to work from their residences, without disruption of Client communications. If the firm's electronic systems are not accessible, the Chief Compliance Officer shall notify the Associated Persons of which system to use and/or how to access the back-up system.

## **D. Alternative Contacts**

In the event of a Disaster that prevents access to the Co-Managers, Chief Compliance Officer or Administrative persons through the Firm's ordinary business telephone numbers and email systems, those persons may be contacted using the alternative telephone numbers and email systems listed in Appendix II. The Chief Compliance Officer shall notify Clients and Associated Persons through telephone, email or website communications, providing them with the alternative numbers and email communication addresses. All Associated Persons using alternative email systems for communications during a Disaster, must send copies of all those communications to the Chief Compliance Officer for retention in the firm's books and records with other firm email communications.

## **E. Responsibilities of the Member**

In the event of a Disaster, the Member is responsible for deciding and notifying the Emergency Contact Persons, the Chief Compliance Officer about the Disaster. If the Member is available, the Member shall make all decisions involving whether Associated Persons should attempt to work from the office or work from an alternative location. The Member shall direct the Emergency Contact Persons on whether the Emergency Contact Persons should:

- a. obtain and use the backup records for the firm;
- b. attempt to contact Clients and/or Associated Persons advise them of the nature of the Disaster;

- c. decide how to contact Clients and Associated Persons (whether through email, telephone or other means);
- d. determine whether the office should be opened or closed,
- e. decide how Clients should be told to contact Pursuit Capital; and
- f. advise Associated Persons whether they should attempt to work from the office, from the alternate location listed on Appendix II, from their respective homes or from another location.

## **F. Responsibilities of Emergency Contact Persons**

In the event of a Disaster, the Emergency Contact Persons shall follow any instructions from the Member provided under the above. In addition, unless the following has been done by the Member, the Emergency Contact Persons shall:

1. if possible, leave voice mail instructions on the office telephones directing Clients how to contact the firm and directing Associated Persons where to report to work;
2. if unable to leave voicemail or other instructions, attempt to contact Associated Persons and any Clients who may need immediate access to Pursuit Capital or its staff, to provide them with contact information;
3. access backups of electronic data and find locations from which the data can be accessed;
4. retrieve backups of other documents that are necessary to conduct the business of the firm;
5. notify any critical third parties and provide them information on how to contact Pursuit Capital and its Associated Persons;
6. provide any required notice to regulators.

## **G. Responsibilities of Associated Persons**

If an Associated Person becomes aware that Pursuit Capital is subject to a Disaster and the person may not be able to access the office and/or Pursuit Capital's records, the Associated Person must immediately do one or more of the following:

1. attempt to obtain instructions from one of the Emergency Contact Persons designated on Appendix I;
2. if unable to contact an Emergency Contact Person, attempt to contact the firm at its alternative location designated on Appendix II;
3. access Pursuit Capital's Website, if any, for instructions; and/or
4. access public broadcasts, if any, for instructions.

## **ARTICLE IV - BACKUP AND RECOVERY**

### **A. Client Funds and Securities**

Pursuit Capital does not maintain custody of Client funds or securities.

### **B. Paper Documents**

Pursuit Capital maintains hard (paper) copies of signed agreements with Money Manager Clients, copies of written correspondence sent or received, paper copies of filings with the SEC or other regulators and paper copies of reports sent to Clients. Since most correspondence is conducted by e-mail and most regulatory filings are made electronically, Pursuit Capital does not have a large number of paper records. Very few of those records are unique and few would be needed immediately in the event of a Disaster. The original of all paper records are kept by Pursuit Capital at its principal office. Copies of all paper records are kept in the alternate location listed on Appendix II or are scanned into an electronic file format and backed up in the same manner as all other electronic files. Attached as Appendix III to this Plan is information about the location of back up copies of paper documents.

### **C. Electronic Data**

Most of the correspondence, financial records, documents created by Pursuit Capital for its Clients and most of the reports and records it creates in connection with representing Clients are maintained in electronic format. Pursuit Capital backs up all electronic data by doing a backup of its computer files on a daily basis. Pursuit Capital backs up any unique computer systems at least monthly and each time there are changes made to the systems. A copy of each backup is removed from the office and kept at the location listed in Appendix III or another offsite location designated by the Chief Compliance Officer. If no location is designated, the Chief Compliance Officer shall keep the backup with him.

### **D. Financial Records**

If Pursuit Capital is subject to a Disaster that affects its capital, the Member shall immediately attempt to evaluate Pursuit Capital's financial status and will notify any required regulatory authorities if the firm's capital is materially, adversely affected or if the firm is unable to continue in business.

## **ARTICLE V - THIRD PARTIES**

### **A. Third Parties**

Because of the nature of Pursuit Capital's business, Pursuit Capital does not have critical relationships with third parties that would affect Pursuit Capital's representation of Clients.

### **B. FINOP**

Pursuit Capital engages an independent financial operations principal firm which it considers to be a critical business system for the firm. Pursuit Capital has confirmed that such critical business relationship has in place a business continuity plan that is reasonably designed to assure that Pursuit Capital can continue to access its financial records if there is a Disaster.

## **C. Banks and Lenders**

Pursuit Capital does not maintain customer accounts, does not handle client securities or transactions and does not conduct a retail securities business. Before opening any banking or securities account and before obtaining any third party financing, the Chief Compliance Officer shall obtain written confirmation that the bank or financial institution has in place a business continuity plan that is reasonably designed to assure that Pursuit Capital can continue to access its financial assets if there is a Disaster affecting those parties.

## **ARTICLE VI - RECORDS**

### **A. The Plan**

The Chief Compliance Officer will assure that a current copy of the Plan is available electronically and in hard copy in Pursuit Capital's principal office and at Pursuit Capital's back up storage location. Each Associated Person is responsible for being familiar with the Plan and knowing the names of the Emergency Contact Persons so that they know whom to contact in the event of a Disaster.

### **B. Required Records**

The Chief Compliance Officer must keep files that contain all of the following:

1. all Plans that have been in effect since the first one was adopted and the dates they were in effect;
2. all amendments to the Plans and the dates amendments were adopted;
3. the names of the Emergency Contact Persons who have been designated for the Plan, the dates for which they were designated and copies of any regulatory filings of such names;
4. documentation of reviews of the Plan by the Chief Compliance Officer; and
5. information about any Disasters for which the Plan was put into effect.

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

Pursuit Capital will provide a written notice to Money Manager Clients describing Pursuit Capital's Business Continuity Plan at the time Pursuit Capital signs a contract with a Client and will include disclosure on any Website that the firm maintains. Pursuit Capital will send a copy of the Plan to any Client who requests a copy. A form of disclosure is attached as Appendix IV.