

TRACE WEALTH ADVISORS

Business Continuity Plan

Effective: September 19, 2022

Overview

This Business Continuity Plan (this “Plan”) for Trace Wealth Advisors (“the “Firm”) has been prepared in accordance with SEC guidance for Investment Advisers. It is noted that in June of 2016, the SEC proposed a new formal rule that would “require registered investment advisers to adopt and implement written business continuity and transition plans.” However, as of the date of this Plan, that rule proposal has not been finalized. Even without a finalized rule, the SEC has regularly stated that it expects RIA firms to have robust business continuity plans in effect today as part of a firm's fiduciary obligation.

This Plan shall be updated from time to time in the event of any material change to the Firm’s operations, structure, business or location.

The Firm is committed to devoting adequate time and resources to assess risk management procedures and controls and the Firm’s management team (“Management”) is responsible for assessing the adequacy of the internal controls, minimally on an annual basis. The Firm has no customer funds, trade history or current trade activity data to be housed.

The Firm’s investment advisory records, including customer and Firm data, are maintained on a cloud-based electronic archive system. The Firm’s electronic communications are retained by a recognized industry vendor with expertise, relevant user and administrative controls and adequate redundancies.

Financial And Operational Assessments

The following describes procedures for assessing changes in operational, financial, and credit risk exposures in the event of a significant business disruption.

Operational Risk

In the event of a significant business disruption, alternative methods will be implemented to communicate with customers, associated persons, critical business constituents (banks, counter-parties, etc.), regulators, and other key parties depending on the nature and impact of the disruption to include, but not limited to:

- Information on how to contact us via our website at <http://www.tracewealthadvisors.com>.
- If a client is unable to contact their TWA financial advisor, and has an immediate account service need, they will be instructed to contact the custodian holding their account.

Financial And Credit Risk

In the event of a significant business disruption, the Firm’s financial status will be evaluated to determine the need for additional financing or identify capital deficiencies including the following:

- Review the impact of the disruption on the Firm’s ability to conduct business;
- Identify inability to satisfy obligations with counter-parties;
- Contact banks or other counter-parties to secure needed additional financing; and
- Notify regulators of capital deficiencies, including to

- Reduce or cease business as may be required due to capital deficiencies or inability to conduct business, and
- Transfer business to other financial institutions until the Firm may resume conducting business.

Pandemic Outbreak

In the event of a pandemic outbreak, the CEO/CCO will monitor SEC and other relevant regulatory notices, alerts and other communications to ensure that regulatory filings, pending regulatory matters and related obligations are met in compliance with existing or amended policy guidelines. For instance, SEC and certain states may waive filing requirements, such as U4 and Annual ADV amendments, in consideration of accommodations made by the firm and its associated persons as a result of a pandemic outbreak.

The Firm recognizes that a pandemic-related interruption in business continuity presents unique challenges. In a related survey a securities regulator identified the three most significant challenges as likely during a serious pandemic outbreak is absenteeism (25%), telecommunications disruptions (12%) and remote work arrangements (12%). Additional concerns included commuting (9%), provision of customer service (8%), transportation (6%), trade clearance and settlement (5%), counterparties (4%), market volatility (4%), regulatory filings (4%), power disruptions (2%) and access to online accounts (1%).

In consideration of these, the Firm is uniquely positioned to withstand significant challenges because its primary staff and personnel are able to work remotely from other personnel and with ready access to systems online.

Nonetheless, the Firm advises its associated persons of the following practices:

- Ensure that dedicated and secure internet service is available for business purposes
- Avoid unnecessary business travel, including arranging for phone or web meetings whenever possible
- Advise the CEO/CCO of any special arrangements, including but not limited to changes in meetings or related planning complications; disclosure of quarantine(s), illnesses that have or may impact the associated person's performance; new or proposed communications services resulting from temporary or longer-term relocations
- Maintain open and frequent contact with the CEO/CCO of any and all circumstances related to or resulting from the impact of an outbreak

In the event that the Firm is required to work-around an established policy, procedure or control due to the circumstances take the following steps:

1. Record the Firm's compliance status just prior to the date of the onset of special circumstances
2. Describe the circumstances
 - a) Personnel involved
 - b) Branches involved
 - c) Internal policy or procedure involved
3. Explain how the pandemic threat impacted the compliance status

4. If available, record the guidance relied on in adopting a change
 - a) Firm records (BCP, Compliance Policies and Procedures, AML Compliance Program, etc.)
 - b) SEC FAQ, NASAA guidance, FINRA guidance etc.
 - c) Communications from regulators (SEC or state sweeps, inquiries exam notices or other)
5. Date range for implementation of new procedures including estimated timeline for fulfillment of requirement, if not prescribed

Contingency Plan

All the Firm personnel have cell phones to prevent loss of communication capabilities during a power outage or telephone service disruption. All personnel have electronic access to all Firm business resources, and therefore can connect from virtually any location. As such, personnel are instructed to first find a safe and secure location that will ensure their personal safety, and, if it is feasible to perform services for the Firm, to utilize customary login credentials to access the Firm's systems.

Special guidance for personnel working from home or remote locations:

- Use a secure network connection to access your firm's work environment or through a secure third-party website (which begin with "https")
- Use only secure Wi-Fi connections using a stringent security protocol (g., WPA2)
- Check for and apply software updates and patches to routers on a timely basis
- Change the default user names and passwords on home networking equipment, such as Wi-Fi routers
- Check for and apply updates and patches to the operating system and any applications on a timely basis
- Install and operate anti-virus (AV) and anti-malware software; set to "auto-update"
- For any files on a personal device, adhere to file storage and back-up requirements, especially if the files contain customer personally identifiable information (PII)
- Lock your screen if you work in a shared space and plan to be away from your computer (minimum recommended time frame = 10 minutes).
- Beware of Phishing and other scams: Be sensitive to the growing variety of scams and attacks that fraudsters are using to exploit the current situation, such as:
 - phishing scams that reference COVID-19, the coronavirus or related matters;
 - fake, unsolicited calls from a "Helpdesk" requesting passwords or wanting to walk you through your home preparedness; and
 - malicious links in emails, online sites and unofficial download sites, especially those offering "free software"

Succession Plan

In the event the primary investment advisor responsible for providing investment advisory services for client accounts is unable to fulfill his/her duties, as prescribed within the advisory agreement, on a permanent basis, the Firm has made succession planning arrangements with another unaffiliated qualified investment advisor to continue providing such advisory services.

Disaster Recovery Plans

If circumstances restrict access to the offices or vital systems fail, the Firm will operate from the remote locations chosen by its personnel, subject to safety considerations as a priority. until alternate facilities can be located.

Data Back-Up and Recovery

The Firm maintains its books and records in electronic format. In the event of an internal or external significant business disruption that causes the loss of the Firm's records (whether hard copy or electronic records), back-up records will be recovered from the back-up site.

Mission Critical Systems

Mission critical systems are systems that are necessary to ensure prompt and accurate processing of securities transactions including order taking, entry, execution, comparison, allocation, clearance and settlement, maintaining customer accounts, and providing access to customer funds and securities. The Firm maintains its clients' assets with qualified custodians. In the event, the Firm personnel cannot access the custodian's systems to effect trades and/or money movements the clients will be instructed to contact their respective custodian's directly to carry out such activities.

Business Constituent, Bank, And Counter-Party Impact

This section describes business continuity procedures regarding third parties that are critical to the conduct of the Firm's business. In most instances, contracts with critical third parties will include assurances regarding the third party's disaster recovery plans. A disruption impacting the Firm's ability to conduct business may occur either at the Firm itself or at the third party.

Business Constituents

Determine whether the third-party service provider (i.e., qualified custodian) can continue providing critical services. If not, identify and contact an alternate third-party as directed by the service provider to provide services on their behalf. Each qualified custodian with which the Firm has a business arrangement has its own BCP.

Banks and Other Financial Institutions

Determine whether the bank/financial institution is able to continue providing financing (if applicable). If not, identify and secure alternative financing.

Regulatory Reporting

The Firm is subject to regulation by the SEC and state regulatory bodies. The Firm files reports with the regulators using electronic facilities provided by the regulator, electronically, through email or by U.S. mail (on rare occasion). In the event of an emergency, the Firm will check with the appropriate regulatory body to determine which means of filing are still available and use the means closest in speed and form to the previous filing method. In the event that the Firm cannot contact the regulators, the Firm will continue to file required reports using the communication means available to it.

Disclosure of Business Continuity Plan

The Firm does not custody client assets and, therefore, does not issue funds or assets or provide account statements. Nevertheless, the Firm will direct clients to their respective qualified custodians with which their accounts are held to facilitate communications in the event of a business disruption that interferes with the Firm's ability to execute such instructions or access client's account information.

The Firm will also provide this Plan to associated persons upon onboarding, in time of implementation and upon request.

Retention and Location of this Plan

Copies of the current and prior versions of this Plan are retained as follows:

- Copies are dated as of the effective date of the version of this Plan. A current copy of this Plan is retained by the Firm's Compliance Department ("Compliance") evidencing the senior manager's approval;
- An electronic copy of this Plan is retained on the Firm's archive system;
- Prior versions (including approvals) of this Plan are retained by Compliance.

Implementation of this Plan

This Plan has been designed to be implemented in the event of a disaster that results in a significant business disruption. Whether all or only parts of this Plan are implemented depends on the nature of the disruption. Generally, a significant business disruption would include:

- Destruction of or loss of access to one of the Firm's offices or facilities, whether by natural causes or by other means;
- Loss of life or major injuries to personnel in an office location that disables that office's ability to conduct business;
- Disruption of service from a critical service provider; and
- Disruption of service due to wide-ranging regional outages or interruptions such as a power outage or pandemic;
- Prohibitions or limitations imposed by governmental bodies or regulatory agencies that restrict travel or otherwise impose restrictions relative to physical office access, such as may be imposed during a pandemic.

Designation of Responsibilities

The following is a list of those responsible for this Plan.

Responsibility	Responsible Person
Maintain and update Plan	Peter Heilbron

Approve Plan and Plan revisions	Peter Heilbron
Implementation of Plan when a disruption occurs	Peter Heilbron
Review of Emergency Contact Persons, as applicable	Peter Heilbron
Maintain and distribute Emergency Contact List	Peter Heilbron
Provide Plan information upon onboarding, when implemented and request	Donna Bartlett

Emergency Contact Information

This section contains prescribed emergency contact information for two emergency points of contact who are also associated persons. The Firm shall promptly update its emergency contact information in the event of any material change.

Managing Member	Peter Heilbron	310 569-4534
CCO	Donna Bartlett	619 300-9518

Alternative Communications

The Firm may use a wide range of communication systems to communicate with its customers, associated persons, counter-parties, and regulators including its proprietary technology, telephone; mail; fax; e-mail; third party vendor systems; website and personal meetings. Procedures for instituting alternative communications in the event of a significant business disruption include the following, depending on the nature of the disruption:

- Identify the most expedient remaining means of communication
- Notify associated persons if an off-site central location has been activated
- Notify associated persons of alternative communication systems to be used
- Transfer communications to another firm or qualified third-party, such as a compliance consultant, sub adviser, or other if necessary to provide continuous service to customers

Determination of what communication system will be used depends on the nature of the disruption and which communication systems (electronic mail, telephone calls, *etc.*) are functional and the availability of personnel in the event telephone contact is necessary.

Between Customers and The Firm

In the event of a significant business disruption that disables communications systems, alternative system procedures will be implemented, including the following:

- Identify the most expedient remaining means of communication;
- Notify associated persons regarding how to contact customers; and
- Contact customers about alternative business operations including means of communications

- Post alternative communications plan to Firm website if the communication interruption prevents customers from accessing their custodial account records

Between the Firm and Its Associated Persons

The Firm has also developed a system to enable senior management to contact associated persons in the event of an emergency. The system may include, depending on geographic dispersion of associated persons, “Call trees” that provide contact initiated at senior management level and pyramiding down to reach affected personnel.

Between the Firm and Regulators

Communications with regulators will be conducted using the most expedient available communication system. The designated person will contact regulators regarding any major business disruption and plans for continuing business.

Updating, Annual Review & Testing

This Plan will be reviewed on at least an annual basis and revised as needed. Each revision to this Plan will be approved by the designated member of Management and copies of the revised Plan distributed to the associated persons as relevant. Some material events require updating this Plan when they occur, including:

- Material changes to the Firm’s business;
- A change in the Firm’s main office location;
- Added office locations; and
- A change in a major service provider.


When this Plan is reviewed, the procedures and any documents incorporated by reference will be reviewed and updated as needed including the:

- Plan itself;
- Emergency Contact List;
- Cyber Security Policy (if applicable);
- Data Retention Policy (if applicable);
- Compliance Policies and Procedures; and
- Any other information related to this Plan.

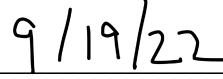
A written record of the annual review including the date reviewed and name and signature of the reviewer will be retained by Compliance.

Senior Management Approval

The Firm has in place processes reasonably designed to enable our firm to meet its obligations to customers in the event of a significant business disruption.



Managing Director



Date