



# ARNOLD & MOTE

## Wealth Management

### **BUSINESS CONTINUITY PLAN ARNOLD & MOTE WEALTH MANAGEMENT**

#### **I. Purpose and Advisor Policy**

Arnold & Mote Wealth Management (“Advisor”) has adopted this Business Continuity Plan (“BCP”) pursuant to the Investment Advisers Act and the rules and guidance of the United States Securities and Exchange Commission (“SEC”) and the laws of Iowa, the state where Arnold & Mote Wealth Management is registered.

The purpose of this BCP is to define the strategies and plans that will be used by Advisor during a significant business disruption (“SBD”). An SBD includes any event or situation that significantly impacts the Advisor’s ability to provide advisory services to its clients. The BCP outlines the Advisor’s procedures designed to ensure that critical business functions can continue during and after an SBD and that the Advisor can resume operations as quickly as possible after an SBD. The BCP is prepared to address both internal SBDs, such as a fire in Advisor’s building or the death of key personnel, and external SBDs, such as a natural disaster, terrorist attack, or citywide power disruption. It is also designed to address SBDs of different severities.

In the event of an SBD, it is Advisor’s policy to do the following to the extent reasonable and practical under the circumstances:

- Safeguard employee lives and firm property;
- Make a financial and operational assessment;
- Promptly recover and resume operations;
- Protect the firm’s books and records; and
- Communicate with its customers and allow them to transact business.

Although the firm does not maintain custody of customer assets, in the event of an SBD, Advisor will assist customers to access their assets at the brokers that have custody of the assets. In the case of an external SBD, Advisor’s ability to react will depend heavily on access to other organizations and systems, such as the availability of electricity, telephones, Internet, and transportation.

In creating this BCP, the Advisor has assumed that the firm’s designated alternate office will be available, that Advisor has sufficient personnel, and that government agencies and market systems are operational during and after the SBD. If any of these assumptions are incorrect, the Advisor’s business could be disrupted until matters are resolved. No contingency plan can eliminate all risk of service interruption but Advisor will continue to assess and update its plans to mitigate all reasonable risks.

## **II. Plan Approval, Review, Location, and Disbursement**

### **A. Approval and Review of Plan**

The below chart reflects the dates of creation and review and necessary revisions to the BCP. The BCP will be reviewed annually to determine whether any modifications are necessary in light of changes to Advisor's operations, structure, business or location or new regulatory requirements.

Quinn Arnold, Owner, is responsible for approving the plan and for conducting annual reviews. During the fourth quarter of each fiscal year, Quinn Arnold will review the Advisor's BCP to determine whether any revisions are needed, and will revise the BCP if necessary, to ensure it meets the firm's needs and regulatory requirements. An updated copy of the BCP will be distributed to all of Advisor's employees within forty-eight (48) hours of any amendment.

Advisor will also test the Business Continuity Plan to identify any weaknesses and gaps at least annually. This may include testing of areas such as: accessing back-up records; hardware functions at the alternate business location; verification of current contact information and any designated duties for employees, clients and business partners; verification of vendors, service providers, software and equipment; and conforming the firm's business practices to the BCP and regulatory requirements.

<b>Effective Date</b>	<b>Description of Action</b>	<b>Name and Title of Firm Employee or Executive</b>
December 26, 2018	Creation of BCP	Quinn Arnold, Owner and Chief Compliance Officer
July 25, 2019	Update of BCP	Quinn Arnold, Owner and Chief Compliance Officer
April 20, 2022	Update of BCP	Quinn Arnold, Owner and Chief Compliance Officer

### **B. Plan Location and Access**

Advisor will maintain copies of its BCP, the annual reviews, and any revisions made to the plan. An electronic copy of Advisor's BCP is located in Arnold & Mote Wealth Management SharePoint in the Administration/Compliance folder. The BCP will also be published on the firm's public website located at [www.arnoldmote.com](http://www.arnoldmote.com).

### **C. Disbursement of Plan**

All employees of Advisor will review the BCP upon beginning their employment. When the BCP is updated, all employees will review the revised plan. The Advisor will periodically train all its employees on the BCP's requirements.

### **III. Key Personnel and Succession Plan**

Advisor's key personnel and persons responsible for executing this BCP in the event of an SBD are: Quinn Arnold, Owner, [quinn@arnoldmote.com](mailto:quinn@arnoldmote.com), 319-393-4020.

If these key personnel die or become incapacitated or otherwise unavailable, the following persons are authorized to execute this BCP and carry on Advisor's business and/or wind down the business: Matt Hylland. The person have been trained on how to execute the provisions of the BCP and carry on Advisor's business and/or wind down the business.

- The clients of Advisor hold no illiquid, time-sensitive, or high-risk securities in accounts managed by Advisor.
- Advisor's Office Manager would answer office telephone calls and emails.
- Advisor charges fees in arrears, so no fees would need to be reimbursed to clients.

### **IV. Business Description**

Advisor is registered with the United States Securities and Exchange Commission and transacts business in public and fixed income securities. Advisor provides analysis and advice on securities by making direct or indirect recommendations to clients. Advisor is compensated for providing this analysis and advice. Advisor is authorized to execute trades in customer's accounts on their behalf. Advisor services individual clients and small businesses.

Advisor sends all public securities transactions to Charles Schwab & Co., Inc. which processes and settles its orders. Advisor does not act as a broker and does not hold client funds or securities.

### **V. Office Location**

Advisor's primary office is located at 1202 Dina Ct., Suite B, Hiawatha, Iowa 52233. The main telephone number is 319-393-4020. Employees travel to that office by means of personal transportation. Advisor engages in comprehensive wealth management activities, including but not limited to financial planning, investment advice, and client meetings and has limited on-site record storage at the primary office.

Advisor utilizes a cloud-based data storage company, SharePoint from Microsoft. Arnold & Mote Wealth Management's primary systems are cloud-based and can be accessed from any remote location with secure Internet access.

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

In the event of an SBD, Advisor will move its staff from the affected office(s) to 525 Lawndale Drive SE, Cedar Rapids, IA 52403. The main telephone number at the alternate location is 319-550-2246. The office telephone numbers can be forwarded to that location. If

Advisor cannot return to its primary office within a reasonable amount of time following the SBD, it will evaluate whether to permanently move to a new primary office location.

In the event of an SBD involving widespread lack of telecommunications, transportation, electricity, office space, fuel and water, Advisor will consider its employees' ability to work remotely during the SBD, as well as how employees may work in the absence of telephone and/or Internet access if necessary.

## **VII. Customer Access to Funds and Securities**

Advisor does not hold client funds or securities. Client funds and securities are held with Charles Schwab and Co., Inc. Clients may contact Schwab Alliance through its website at <http://schwaballiance.com>, or by telephone at 800-515-2157. Schwab can instruct clients how to gain prompt access to their funds and securities, including placing buy or sell orders, issuing checks and wires from their accounts, or transferring funds via pre-established electronic transfer capabilities to client accounts at other institutions. Schwab's business continuity plan is available at: <http://www.schwab.com/public/schwab/nn/continuity.html>

In the event of an SBD, Advisor will continue to handle customer assets as it did before the SBD to the extent possible based on the availability of Charles Schwab and Co., Inc. platform. The Charles Schwab platform should allow Advisor to continue managing customer accounts in the event of an SBD. Arnold & Mote Wealth Management has communication and Internet capabilities through at least three independent sources (CenturyLink Telecommunications Co., Verizon Wireless Telecommunications Co., and Mediacom Communications Co.)

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

Advisor maintains its primary books and records in electronic storage. Any temporary hard copy records are located at its office at 1202 Dina Ct., Suite B, Hiawatha, Iowa, 52233. Quinn Arnold is responsible for the maintenance of these primary books and records. Advisor maintains the following document types and forms that are not transmitted to Charles Schwab and Co., Inc.: client agreements, investment policy statements, written financial plans, investment model portfolios, and client-specific documents such as tax returns and estate planning documents. All onsite documents are scanned and stored electronically in cloud-based providers' data centers or, in the case of old paper client records, are in the process of being scanned for electronic storage.

Advisor maintains its back-up books and records in its cloud-based data center provider noted above, so that it would not be impacted by the same city-wide or regional SBD. These records are redundant electronic documents, accessible to the advisor from any secure Internet connection. Quinn Arnold is responsible for the maintenance of these back-up books and records.

In the event of an SBD that causes the loss of paper or electronic records, Advisor will recover them from the back-up site.

## **IX. Operational and Financial Assessments in the Event of an SBD**

### **A. Operational Risk**

In the event of an SBD, Advisor will immediately assess and identify what means will permit it to communicate with customers, employees, regulators, any custodian institution(s) holding customer funds and securities, and critical business constituents and counterparties. Although the impact of an SBD will determine the means of alternative communication, Advisor may employ their website, telephone voice mail, and secure email. In addition, Advisor will retrieve key activity records as described in Section VIII, above, Data Back-Up and Recovery (Hard Copy and Electronic).

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

In the event of an SBD, Advisor will determine its financial ability to continue to operate and service its customers. Advisor will contact the custodian firm, clients, and critical banks and vendors to apprise them of its financial status. If Advisor determines that it is unable to fund its operations, it will request additional financing from its bank or other credit sources to fulfill its obligations to customers.

## **X. Critical Systems**

Advisor's critical systems are those that: (i) allow Advisor prompt and accurate access to client accounts and records, (ii) allow Advisor to communicate investment advice and analysis to customers, and (iii) allow Advisor to receive and transmit orders from or on behalf of customers to Charles Schwab and Co., Inc. for execution.

Advisor has primary responsibility for establishing and maintaining business relationships with customers and transmitting orders from or on behalf of customers to Charles Schwab and Co., Inc. for execution. Charles Schwab and Co., Inc. has responsibility to receive, execute, clear, and settle orders from Advisor or its customers.

Advisor has received and reviewed a copy of the business continuity plan of Charles Schwab and Co., Inc. The Charles Schwab and Co., Inc. has represented that it will advise Advisor of any material changes in its business continuity plan that might affect Advisor's ability to maintain its business.

## **XI. Critical Business Constituents, Banks, and Counterparties**

Advisor will/has contacted its critical business constituents (businesses with which it has an ongoing commercial relationship in support of its operating activities, such as vendors and banks), and determined the extent to which Advisor can continue its business relationship with them in light of an SBD. Advisor will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when needed. Advisor's critical business constituents include: GreenState Credit Union and Oak Street Bank.

Advisor will request/has requested all of its service providers to provide it with copies of their Business Continuity Plans.

Advisor has an ongoing financing arrangement with Oak Street Bank in Indianapolis, IN. The bank maintaining Advisor's operating account is: GreenState Credit Union.

Advisor has determined it will be able to carry out its transactions with GreenState Credit Union considering an Advisor internal or external SBD. Where transactions cannot be completed, Advisor will work with its clearing firm or contact those counterparties directly to make alternative arrangements to complete transactions as soon as possible.

## **XII. Communication of SBD to Other Parties**

In the event of an SBD, including the death or unavailability of key personnel, the persons executing this BCP will determine the persons that need to be notified about the SBD, including employees, customers, regulators, custodians, and critical business constituents. The persons who need to be notified, and how, will vary with the circumstances of the SBD.

During an SBD, Advisor will ensure, to the extent possible, that its website reflects the firm's operational status and contact information. Advisor may place status messages on its website indicating to customers, for instance, the nature of the SBD or the status of its services to customers.

## **XIII. Alternative Communications Plans**

### **A. Customers**

Advisor now communicates with customers using telephone, email, website, fax, U.S. mail, and in-person visits. In the event of an SBD, Advisor will assess which means of communication are still available and use the means closest in speed and form (written or oral) to the means that Advisor used in the past to communicate with the other party. For example, if Advisor has primarily communicated with a party by email, but the Internet is unavailable, Advisor will call the customer on the telephone and follow up, where a record is needed, with paper copy in the U.S. mail.

In the case of an expected SBD, such as a forecasted storm, Advisor will consider proactively contacting customers (for instance, by email blast) to determine whether they need to execute any transactions (e.g., fund transfer, wire instructions, closing out positions) in case of an extended outage.

### **B. Employees**

Advisor now communicates with its employees using telephone, email, text message/cellular phones, U.S. mail, and in-person visits. In the event of an SBD, Advisor will assess which means of communication are still available and use the means closest in

speed and form (written or oral) to the means that Advisor has used in the past to communicate with the other party.

A dedicated land telephone line is available at the Advisors' alternative operating location identified above, for central messaging and employee communications in the event of an SBD.

Since the Advisor has only a few employees, the staff details of home telephone, cellular telephone, email, and address are known. Advisor would attempt to reach the employee in person if other means were not available.

### **C. Regulators**

Advisor is currently registered as an investment advisory firm with the United States Securities and Exchange Commission. Advisor communicates with its regulators using telephone, email, fax, or U.S. mail. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form (written or oral) to the means that Advisor has used in the past to communicate with the other party, including to make any necessary filings, disclosures, etc.

In the event that Advisor cannot contact its regulators, it will continue to file required reports to the extent possible using the communication means available to it. In the event of an SBD, Quinn Arnold will be responsible for ensuring that the Advisor has access to the Investment Adviser Registration Depository (IARD) system, the electronic filing system that facilitates investment advisor registration, and that all appropriate Form ADV filings, including annual and interim amendments, are made and maintained.

In the event of a formal or informal inquiry made by any federal or state regulatory agency during an SBD, Quinn Arnold, Owner of Arnold & Mote Wealth Management, 319-393-4020, will be responsible for receiving all calls and/or all other requests for further review.

### **D. Custodians**

Charles Schwab and Co., Inc. currently holds the funds and/or securities of Advisor's customers. Advisor currently communicates with this institution using uploads, telephone, email, fax, and U.S. mail. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form (written or oral) to the means that Advisor has used in the past to communicate with the custodian.

### **E. Critical Business Constituents, Banks, and Counterparties**

Advisor now communicates with its critical business constituents using telephone, email, fax, U.S. mail, and in-person visits. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form (written or oral) to the means that Advisor has used in the past to communicate with the other party.


#### XIV. Disclosure of Business Continuity Plan

Customers will receive a copy of a BCP when they open their accounts with Advisor and annually thereafter, if applicable. Advisor also will/post its BCP on its website located at [www.arnoldmote.com](http://www.arnoldmote.com) and will mail it to customers upon request.

Arnold & Mote Wealth Management Employees: March 1, 2022

 3/1/22  
Quinn Arnold Date

 3/1/22  
Matt Hylland Date

 3/1/22  
Nick Ford Date

 3-1-2022  
Cindy Honeck Date

 03/01/2022  
Alexander Newland Date