

Business Continuity Plan Disclosure Statement

Salem Partners LLC (“SP”) recognizes that significant disruptive incidents can interrupt its normal business operations, which are highly dependent upon its automated systems and processes creating risks that need to be mitigated. SP further recognizes that it must recover from disruptive incidents as quickly as possible and that this necessity to ensure a speedy restoration of services requires a significant level of advance planning and preparation.

SP’s Business Continuity Plan (BCP) has been prepared to assist its management and staff in handling a serious disruptive crisis in a controlled and structured manner. The BCP contains information on emergency contact details, strategies to mitigate impact, procedures to be implemented and communication processes to be followed in response to a serious disruptive event. Major points addressed in the BCP are detailed below:

- A major disruption to our headquarters facilities would result in a relocation of key personnel to an alternate location, where equipment and communication infrastructure is available for them to continue the business of the firm.
- Our back office data processing is provided to us through a service bureau located in the eastern section of the country. Any disruption to that site is fully backed up at multiple sites, located in different geographic areas of the United States.
- We have procedures in place to redirect our primary telephone number to any other location, so that, in the event of personnel relocation, our customers, vendors and employees can continue to contact us, without having to be notified in advance of different telephone numbers.

If an event was to materially affect SP’s operations, the BCP would allow our registered representatives to communicate with you, our clients, as well as with SP’s support personnel. If clients are, for any reason, unable to contact their registered representative during a disruptive incident, they may call 310-493-8001 for support.

While SP believes the above statements to be a fair and accurate representation of its BCP, it may, from time to time, amend or revise the plan as necessary to support current business requirements.