



# **LIQUIDITY FINANCE LP**

## **Business Continuity Plan (BCP)**

## Table of Contents

I.	EMERGENCY CONTACT PERSONS.....	3
II.	FIRM POLICY.....	4
A.	SIGNIFICANT BUSINESS DISRUPTIONS (SBD'S).....	4
B.	APPROVAL AND EXECUTION AUTHORITY.....	4
C.	PLAN LOCATION AND ACCESS.....	4
III.	BUSINESS DESCRIPTION.....	4
IV.	OFFICE LOCATIONS.....	5
A.	PRINCIPAL OFFICE:.....	5
B.	BRANCH OFFICE:.....	5
V.	ALTERNATIVE PHYSICAL LOCATION(S) OF EMPLOYEES.....	5
VI.	CUSTOMERS' ACCESS TO FUNDS AND SECURITIES.....	5
VII.	DATA BACK-UP AND RECOVERY (HARD COPY AND ELECTRONIC).....	6
VIII.	FINANCIAL AND OPERATIONAL ASSESSMENTS.....	7
A.	FINANCIAL AND CREDIT RISK.....	7
B.	OPERATIONAL RISK.....	7
IX.	MISSION CRITICAL SYSTEMS.....	8
A.	OUR FIRM'S MISSION CRITICAL SYSTEMS.....	9
B.	MISSION CRITICAL SYSTEMS PROVIDED BY OUR CLEARING FIRM.....	9
X.	ALTERNATE COMMUNICATIONS BETWEEN THE FIRM AND CUSTOMERS, EMPLOYEES, AND REGULATORS.....	10
XI.	CRITICAL BUSINESS CONSTITUENTS, BANKS, AND COUNTER-PARTIES.....	10
XII.	REGULATORY REPORTING.....	11
XIII.	DISCLOSURE OF BUSINESS CONTINUITY PLAN.....	12
XIV.	UPDATES AND ANNUAL REVIEW.....	12
XV.	SENIOR MANAGER APPROVAL.....	12

## I. EMERGENCY CONTACT PERSONS

**Liquidity Finance LP (herein "Liquidity" or the "Firm")** has identified the Firm's emergency contact persons as follows which will also be reported to FINRA through the FINRA Contact System ("FCS").

### Primary Contact Person

**Daniel J. Mullineaux**

One Station Place, 5th Floor

Stamford, CT 06902

203-981-7419

**[www.liquidityfin.com](http://www.liquidityfin.com)**

**Email: [DMullineaux@liquidityus.com](mailto:DMullineaux@liquidityus.com)**

### Alternative Contact Person

**Robert MacDonald**

One Station Place, 5th

Floor Stamford, CT 06902

**[www.liquidityfin.com](http://www.liquidityfin.com)**

**Email: [Bmacdonald@liquidityus.com](mailto:Bmacdonald@liquidityus.com)**

Any changes to the contact persons will be updated through FCS no later than 30 days following any change to the information, and will review the information within 17 days after the end of each calendar year.

The Contact Sheet will be reviewed by the Firm's Executive Representative annually. Contact information will be updated in the event of any material changes such as change of the contact person or the requisite contact information.

## II. FIRM POLICY

Our Firm's policy in response to an internal or external significant business disruption (SBD) is to safeguard employees' lives and Firm property including the books and records, and to make a financial and operational assessment.

### A. SIGNIFICANT BUSINESS DISRUPTIONS (SBD'S)

Our plan anticipates two kinds of SBD's, internal and external. Internal SBDs affect only our Firm's ability to communicate and do business, such as a fire in our building. External SBD's prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a city flood, or a wide-scale regional disruption. Our response to an external SBD relies more heavily on other organizations and systems.

### B. APPROVAL AND EXECUTION AUTHORITY

Daniel J. Mullineaux is the registered principal, is responsible for approving the plan, conducting the required annual review, as well as executing the business continuity plan at the appropriate time.

### C. PLAN LOCATION AND ACCESS

Liquidity maintains copies of its BCP plan and the annual reviews, and the changes that have been made to it for inspection. Hard and electronic copies are maintained on site at the Firm's primary location and back-up copies at the Parent Company.

## III. BUSINESS DESCRIPTION

The primary business of the Firm is riskless principal fixed income trading as on behalf of institutional clients.

The Firm has a clearing agreement with Pershing LLC and introduces its customers to the clearing firm. Pershing LLC's information and the Firm's contact person is listed below:

*Timothy P. Walsh, Director*  
*Global Customers*  
*Pershing LLC, a BNY Mellon company*  
*One Pershing Plaza*  
*Jersey City, NJ 07399*  
*www.pershing.com*  
*Office: +1 201 413 2636*  
*Fax: +1 201 309 0089*  
*Mobile: +1 646 964 7098*  
*E-mail: [tpwalsh@pershing.com](mailto:tpwalsh@pershing.com)*

#### **IV. OFFICE LOCATIONS**

##### **A. PRINCIPAL OFFICE:**

*One Station Place, 5th Floor  
Stamford, CT 06902*

The office is accessible to employees by means of foot, car, train, and bus.

##### **B. BRANCH OFFICE:**

*None*

#### **V. ALTERNATIVE PHYSICAL LOCATION(S) OF EMPLOYEES**

In the event of an SBD, our staff will be working out of their individual residences.

#### **VI. CUSTOMERS' ACCESS TO FUNDS AND SECURITIES**

Our Firm will not maintain custody of customers' funds or securities. In the event of an internal or external SBD our Firm will have the ability to communicate with clients through multiple avenues. In the event of an internal or external SBD, if telephone service is available, our registered persons will take customer orders or instructions and contact our clearing firm, and if Internet access is available, our Firm will post on our Web site that customers may access their funds and securities by contacting:

*Pershing Customer Service Department  
(201)413-3333  
Pershing LLC, a BNY Mellon company  
www.pershing.com  
One Pershing Plaza, Jersey City, NJ 07399*

The Firm will make this information available to customers through its disclosure policy.

If SIPC determines that we are unable to meet our obligations to our customers or if our liabilities exceed our assets in violation of Securities Exchange Act Rule 15c3-1, SIPC may seek to appoint a trustee to disburse our assets to customers. We will assist SIPC and the trustee by providing our books and records identifying customer accounts subject to SIPC regulation.

## **VII. DATA BACK-UP AND RECOVERY (HARD COPY AND ELECTRONIC)**

Our Firm maintains both its primary hard copy books and records, and its electronic records at its primary office. Back-up of hard copy books and records will be maintained at the Firm's parent office.

Daniel J. Mullineaux is responsible for the maintenance of these books and records. These records are in two forms: Paper and Electronic. These records are backed up at client inception and then periodically thereafter. We may send the oldest year's hard copy records to storage, provided that there is an abundance of hard copy records. We maintain the current year and the previous year's books and records at our main office. All documents related to clients, accounting, and Firm management can be available in electronic format, as well on a shared drive of the parent company.

Our Firm will maintain an electronic copy of all hard copy books and records. The Firm backs up its electronic records daily via various electronic off-line and on-line storage media at the following locations:

### **Financials/Books and Records data:**

Financial books and records are emailed to the Firm by the FinOp on a monthly basis. The Files are saved in hard copy.

### **Electronic Correspondence:**

The Firm backs up its electronic communications by utilizing a third party service provider, Global Relay. Global Relay archives email and Bloomberg Chat.

*Global Relay Communications Inc.  
286 Madison Avenue, 7<sup>th</sup> Floor  
New York, NY 10017  
Toll Free: 866.484.6630  
Fax: 212.504.3163*

### **e-Matching System:**

The Firm operates an e-Matching system, Flow by Liquidity Finance ("Flow") registered as an ATS with the SEC. Flow is maintained around the clock by a US based server outsourcing company called 1&1. The System data is recorded and maintained on two mirrored servers, one acting as the primary while the other is the back-up.

In the event of a system failure or outage we will contact 1&1 at:

*1 and 1  
Tel: +1-866-991-2631 (Toll Free, 24/7 Number)  
Or +1-877-206-4255 (Server Support)  
Mail: [server247@1and1.com](mailto:server247@1and1.com)  
Web: [help.1and1.co.uk](http://help.1and1.co.uk)*

If the e-Matching platform is down for any period of time, traders can still work using voice through telephone lines.

## **VIII. FINANCIAL AND OPERATIONAL ASSESSMENTS**

Our Firm will periodically assess its capital, ability to fund operations, and financing. This will enable us to assess any changes in these exposures, and enable it to quickly rectify any potential exposures in connection with an SBD.

### **A. FINANCIAL AND CREDIT RISK**

In the event of an SBD, we will determine the value and liquidity of our investments and other assets to evaluate our ability to continue to fund our operations and remain in capital compliance. We will contact our critical banks, and investors if any, to apprise them of our financial status. If we determine that we may be unable to meet our obligations to enable us to continue to fund our operations, we will request additional financing from our bank or other credit sources to fulfill our obligations to our customers and clients. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take appropriate steps.

### **B. OPERATIONAL RISK**

In the event of an SBD, we will immediately identify what means will permit us to communicate with our employees, critical banks, and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will include direct telephone communication, voice mail, secure e-mail, and fax. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

## **IX. MISSION CRITICAL SYSTEMS**

The Firm relies on "mission critical systems" to ensure prompt and accurate customer service, accurate processing of securities transactions, including order taking, entry, execution, comparison, allocation, clearance and settlement of securities transactions, the maintenance of customer accounts, access to customer accounts. More specifically, these systems include:

Electronic Trading platforms:

- Bloomberg

Clearing / Settlement System:

- Pershing / NetX360

Phone/Voice Trades:

- Phone system
- Internet

We have primary responsibility for establishing and maintaining our business relationships with our customers and have sole responsibility for our mission critical functions. Our clearing firm provides, through contract, the execution, comparison, allocation, clearance and settlement of securities transactions, the maintenance of customer accounts, access to customer accounts, and the delivery of funds and securities.

Our clearing firm contract provides that our clearing firm will maintain a business continuity plan and the capacity to execute that plan. Our clearing firm represents that it will advise us of any material changes to its plan that might affect our ability to maintain our business. In the event our clearing firm executes its plan, it will represent that it will notify us of such execution and provide us equal access to services as its other customers. If we reasonably determine that our clearing firm has not or cannot put its plan in place quickly enough to meet our needs, or is otherwise unable to provide access to such services, our clearing firm will represent that it will assist us in seeking services from an alternative source.

Our clearing firm will represent that it backs up our records at a remote site. Our clearing firm represents that it operates a back-up operating facility in a geographically separate area with the capability to conduct the same volume of business as its primary site. Our clearing firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption by testing, and it has confirmed that it tests its back-up arrangements every time period.



## A. OUR FIRM'S MISSION CRITICAL SYSTEMS

### 1. Order Taking

Our Firm receives orders from customers via telephone, Bloomberg or email and conducts matching trades through an in-house e-Matching system. During an SBD, either internal or external, we will continue to take orders through any of these methods that are available and reliable, and in addition, as communications permit, we will inform our customers when communications become available to tell them what alternatives they have to send their orders to us. Customers will be informed of alternatives by phone or electronic correspondence.

### 2. Order Entry

Our Firm enters and records orders prior to sending them to our clearing firm. In the event of an internal SBD, we will enter and send records to our clearing firm by the fastest alternative means available, which include email. In the event of an external SBD, we will maintain the order in electronic or paper format, and deliver the order to the clearing firm by the fastest means available when it resumes operations.

### 3. Order Execution

Through our normal course of business, we accept and execute orders with customers either by phone or electronically. Once orders are executed they are entered into a trade blotter and booked into our clearing agent's booking system via NetX360 (Trade Order & Settlement Management System). In the event of an internal SBD, orders will be executed by phone or electronically when available and we will keep written blotters of all transactions to input into NetX360 as soon as the system is available. If the decision is made to invoke disaster recovery procedures or in the event of an external SBD, access to NetX360 system will be resumed at one of our offices within the required time and trades will be maintained within our trading system as normal. Operations team will also liaise with the parent company office in London to temporarily hand over trade booking and processing.

## B. MISSION CRITICAL SYSTEMS PROVIDED BY OUR CLEARING FIRM

Our Firm relies, by contract, on our clearing firm to provide order comparison, order allocation, and the maintenance of customer accounts, delivery of funds and securities, and access to customer accounts.

**X. ALTERNATE COMMUNICATIONS BETWEEN THE FIRM AND CUSTOMERS, EMPLOYEES, AND REGULATORS**

**A. CUSTOMERS**

We communicate with our customers via the telephone, e-mail, fax, U.S. mail, and/or in person visits at our Firm or at the client's location. In the event of an SBD, we will assess which means of communication are still available to us, and utilize the means closest in speed and form (written or oral) to the means that we have previously used to communicate with our clients. For example, if we have communicated with a party by e-mail but the Internet is unavailable, we will call them on the telephone and follow up where a record is needed with paper copy in the U.S. mail.

**B. EMPLOYEES**

We communicate with our employees via the telephone, e-mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and utilize the means closest in speed and form (written or oral) to the means that we have previously used to communicate with our employees. The Firm will also employ a call log so that senior management can reach all employees quickly during an SBD. The call log includes all employee personnel telephone numbers and e-mail addresses. The person to invoke use of the call log is Daniel Mullineaux. See **Attachment A - Employee Contact List**.

**C. REGULATORS**

We are currently members of FINRA and the SEC. We communicate with our regulators via telephone, e-mail, fax, U.S. mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party.

**XI. CRITICAL BUSINESS CONSTITUENTS, BANKS, AND COUNTER-PARTIES**

Our Firm procedure is to monitor, on a quarterly basis, our relationships with our business constituents, banks, and potential counter-parties. The on-going monitoring will enable us to evaluate the strategic importance of each party and to identify any changes that may be necessary to decrease the impact an SBD.

**A. BUSINESS CONSTITUENTS**

We will contact our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services), and determine the extent to which we can continue our business relationship with them in light of an internal or external SBD. We will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when we need them because of a SBD to them or our Firm. Our current and alternative suppliers are disclosed below.

## B. BANKS

We will contact our bank to determine if they can continue to provide the financing that we will need in light of an internal or external SBD. The bank maintaining our operating account is:

HSBC Bank, New York 800-975-4722  
HSBC  
P.O. Box 9  
Buffalo, New York 14240

If our banks and other lenders are unable to provide the financing, we will seek alternative financing immediately.

## C. COUNTER-PARTIES

We will contact our critical counter-parties, such as other broker-dealers or institutional customers, to determine if we will be able to carry out our transactions with them in light of the internal or external SBD. Where the transactions cannot be completed, we will communicate with those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

## XII. REGULATORY REPORTING

The Firm is subject to regulation by the SEC and FINRA. We file reports with our regulators using paper copies in the U.S. mail, and electronically using fax, e-mail, and the Internet. In the event of an SBD, we will check with the SEC and FINRA to determine which means of filing are still available to us, and use the means closest in speed and form (written or oral) to our previous filing method. In the event that we cannot contact our regulators, we will continue to file required reports using the communication means available to us.

### **Boston Regional Office**

Paul Levenson, Regional Director  
33 Arch Street, 23rd Floor  
Boston, MA 02110-1424  
Phone: (617) 573-8900  
**E-mail: [boston@sec.gov](mailto:boston@sec.gov)**

### **FINRA District 11 - Boston**

Elizabeth F. Page, Vice President and District Director  
99 High Street  
Suite 900  
Boston, MA 02110  
Phone: (617) 532-3400  
Fax: (617) 451-3524

The following URL contains a list of state securities agencies contact information for the states in which the Firm is registered: [http://www.nasaa.org/about\\_nasaa/2062.cfm](http://www.nasaa.org/about_nasaa/2062.cfm).

**XIII. DISCLOSURE OF BUSINESS CONTINUITY PLAN**

Liquidity discloses in writing a summary of the BCP to customers at account opening. We also post the summary on our Web site and mail it to customers upon request.

**XIV. UPDATES AND ANNUAL REVIEW**

Our Firm will update this plan whenever we have a material change to our operations, structure, business or locations. In addition, our Firm will review this BCP annually to modify it for any changes in our operations, structure, business, or locations.

**XV. SENIOR MANAGER APPROVAL**

I have approved this Business Continuity Plan as reasonably designed to enable our Firm to meet its obligations to customers in the event of an SBD.

  
\_\_\_\_\_  
Daniel Mullineaux  
Managing Member  
Date:

BCP Attachment A - Employee Contact List

Individual Name	Place of Work	Work Number	Home Number	Cell Number	Work Email	Personal Email
Andrew J Macdonald	Stamford, CT	+1 203 883 8950		+1 781 771 3549	AMacDonald@liquidityus.com	macdonald116@gmail.com
Christopher Herbert Luth	Stamford, CT	+1 203 883 8950	203-831-0163	+1 203 550 3144	Cluth@liquidityus.com	cluthnyc@yahoo.com
Cristiano Magarinos Leao	Stamford, CT	+1 203 883 8950		+1 203 918 7101	Cleao@liquidityus.com	Cristiano.leao@yahoo.com
Daniel James Mullineaux	Stamford, CT	+1 203 883 8950	203-292-6117	+1 203 981 7419	Dmullineaux@liquidityus.com	mullineauxd@yahoo.com
Daniel Robert Reddington	Stamford, CT	+1 203 883 8950	973-701-0324	+1 516 578 1218	Dreddington@liquidityus.com	dan.reddington@icloud.com
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Jeffrey Gordon Kravetz	Stamford, CT	+1 203 883 8950	973-422-0595	+1 917 693 8434	Jkravetz@liquidityus.com	Jeff004@comcast.net
John Clarke Gray	Stamford, CT	212-916-7450		917-238-1263	Cgray@liquidityus.com	clarke@taylorgrayllc.com
Julia Krivchenko	London, UK	+44 207 856 2580		+44 7799038400	JuliaK@liquidityfin.com	jkrivchenko@hotmail.com
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Paul D Quinn	Stamford, Ct	+1 203 883 8950		+1 917 797 5397	Pquinn@liquidityus.com	pauldonaldquinn@yahoo.com or pdquinn8@me.com
Robert George Macdonald	Stamford, CT	+1 203 883 8950	203-255-8627	+1 917 270 8972	BMacDonald@liquidityus.com	bobmac15@gmail.com
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