

## BCP Client Disclosure and Acknowledgement

Date: 04/03/2023

Subject: Business Continuity Plans

FINRA Rule 4370

Effective Date: 04/03/2023

### **Purpose of this disclosure**

FINRA Rule 4370 requires member firms to create and maintain a written business continuity and contingency plan and procedures relating to an emergency or Significant Business Disruption (“SBD”)

### **Firm Policy**

Cobra Trading’s policy is to respond to a SBD by safeguarding employees’ health and safety and Firm property, making a financial operational assessment, quickly recovering and resuming operations, protecting all of the Firm’s books and records, and allowing its customers to transact business.

The Firm’s strategy is to manage an approved corporate-wide Business Continuity Program (BCP) to maintain the policy and standards while providing a comprehensive education and implementation process. The objective is to create, document, test and maintain departmental business continuity plans to recover critical systems and functions. At least annually, Operations departments with critical business processes and Technology departments test their plans to ensure that they are workable, in compliance and that staff are aware of their roles in a business interruption. A corporate communication and management process exists to ensure critical business functions resume quickly, thereby reducing financial risk.

Cobra Trading provides in writing this BCP disclosure statement or an updated version to customers upon request. The Firm creates and documents BCP plans based on the potential risks of disruption to its employees, workspace and/or technology in its location.

### **Significant Business Disruption (SBD)**

#### **Definitions:**

The Firm’s BCP covers three types of disruptions:

- **Firm Disruptions (FD)** - Includes but are not limited to firm disruptions such as a building fire, a building power outage, computer or network malfunction or virus infection disruption or failure of telephone services.
- **Local Disruptions (LD)** - Includes but not limited to local disruptions such as regional floods, fires, terrorist attacks, earthquakes, tornados, hurricanes, chemical spills or regional power, telephone or internet outages.
- **Regional Disruptions (RD)** - Includes but not limited to regional disruptions such as power grid failures or regionally affected natural disasters or terrorist attacks.

#### **FD**

In the event of a FD, clients can call the Firm’s alternative location at 612-747-1419 for information and instructions. Cobra Trading is expected to be operational within a period of two hours of the FD.

#### **LD**

In the event of a LD, clients can call the Firm’s alternative location at 612-747-1419 or if the secondary location is affected by the LD, clients can call the clearing firms, Wedbush Securities (for Cobra Trading) at (213) 688-4324, Curvature Securities LLC (908) 741-4120 or Interactive Brokers (for Venom Trading) at (312)542-6846 for information and instructions. Under this scenario, Cobra Trading will close operations and inform its clients via phone, e-mail or website of its expected recovery time.

**RD**

In the event of a RD, clients can call the Firm's alternative location at 612-747-1419 or if the secondary location is affected by the RD, clients can call the clearing firms, Wedbush Securities (for Cobra Trading) at (213) 688-4324, Curvature Securities LLC (908) 741-4120 or Interactive Brokers (for Venom Trading) at 312.542.6846 for information and instructions.

**Data Backup**

**Cobra Trading** maintains its primary copy of books and records at its main office located at 3008 E Hebron Pkwy, Bldg 400, Carrollton, TX. The Firm maintains backup copies at its alternate location: 2480 Raintree Dr., Southlake, TX 76092.

**Plan review and updates**

This Business Continuity Plan is subject to change and is modified and tested at least annually for updates and revisions. An updated and current copy of this summary is posted and can be viewed at <http://www.cobratrading.com> Clients can also request this document by calling the firm and a copy will be mailed via U.S mail.