Disaster Recovery and Business Continuity Plan

This disaster recovery and business continuity plan has been designed to assist BD Mortgage Group LLC, Clients and vendor partners prepare for disruptive events, whether an event might be a hurricane or simply a power outage.

Introduction

Planning for the business continuity of BD Mortgage Group LLC in event of a disaster is a complex task. Preparation for, response to, and recovery from a disaster affecting the administrative functions of the branch requires the cooperative efforts of many support partners with the functional areas supporting the daily business needs of our customers. BD Mortgage Group LLC supports business in all areas of the country, many of which may not be affected or even aware that a disaster has affected the center.

Audience

This document addresses several groups differing levels and types of responsibilities for business continuity, as follows:

- IT Support
- Company Leadership Team
- Partner / Venders
- Clients

Purpose of the Business Continuity Plan

BD Mortgage Group LLC increasingly depends on computers for processing and telecommunications. This dependency will continue to grow with the trend toward a paperless environment and the support of customers in various locations throughout the United States.

The increasing dependency on computers and telecommunications for operational support poses the risk that a lengthy loss of these capabilities could seriously affect branch performance, the customers experience and overall loan volume.

The BD Mortgage Group LLC Business Continuity Plan is designed to reduce the risk to an acceptable level by ensuring the restoration of critical functions within hours.
Assumptions

The Plan is predicated on the validity of the following three assumptions:

- The situation that causes the disaster is localized to BD Mortgage Group LLC main office and that all vendor partners are fully operational.
- The Plan is a document that reflects the changing environment and requirements of BD Mortgage Group LLC. Therefore, the Plan requires the continued allocation of resources to maintain it and to keep it in a constant state of readiness.

Maintenance

Ensuring that the Plan reflects ongoing changes to resources is crucial. This task includes updating the Plan and revising this document to reflect updates; testing the updated Plan; and training personnel. The Branch Leadership will be responsible for this comprehensive maintenance task.

Twice a year BD Mortgage Group LLC’s Leadership ensures that the Plan undergoes a more formal review to confirm the incorporation of all changes since the prior half of the year. Annually, BD Mortgage Group LLC’s Leadership initiates a complete review of the Plan, which could result in major revisions to this document. These revisions will be distributed to all BD Mortgage Group LLC’s Leadership who will exchange their old plans for the newly revised plans. At that time the Chief Financial Officer, Senior Executive or Operations Manager will provide an annual status report on continuity planning.

Testing

Testing the Business Continuity Plan is an essential element of preparedness. Partial tests of individual components and recovery plans will be carried out on a regular basis. A comprehensive exercise of our continuity capabilities and support by our designated recovery facilities will be performed on an annual basis.
**Organization of Disaster Response and Recovery**

In the event of a disaster affecting BD Mortgage Group LLC will respond in accordance with this Plan and will initiate specific actions for recovery.

**Company Leadership**

- Branch Manager - Manages and directs the recovery effort. Provides liaison with all vendor partners.
- Client Relationship Manager(s) - Provides liaison with the company leadership and the clients.
- Team Leader - Coordinates all underwriting & due-diligence of loan files.

**Disaster Response**

These are the four required responses to a disaster, or to a problem that could evolve into a temporary restriction of activity in the main office.

1. Detect and determine a disaster condition
2. Notify Company Leadership
3. Initiate the Business Continuity Plan
4. Provide support services to aid in recovery

**Disaster Detection and Determination**

Disaster events which could affect business or processing at BD Mortgage Group LLC:

- Very Critical – Associates unable to get to the main office
- Very Critical – Electricity at the main office is down
- Critical Situation – Branch associates unable to gain access to any systems
- Critical Situation – Main Office Internet access denied
- Critical Situation – Main Office Phone and Voice Services not working
- Situation – Email or Fax Not working

**Disaster Notification**

Branch Manager will follow existing procedures and notify all Company Leadership. If the Branch Manager is unavailable the Ranking Leader will be responsible for notification, when a situation occurs that could result in interruption in business:
Recovery Procedures

Notification List

Each Manager has a list of names and telephone numbers of managers and personnel who must be notified in the event of a disaster. The Branch Manager is responsible for keeping this notification list up-to-date.

Action Procedures by Recovery Leader

- Ensures that all parties have been notified of situation
- Coordinator activate the Emergency Operation Plan
- Coordinator meeting with Branch Leadership to review disaster status
- Coordinator recommendations to Branch Leadership for next steps in recovery effort
- Coordinator Monitor the activities of the recovery teams. Assist them as required in their recovery efforts.

Early Warning

If a possible disaster can be anticipated, such as a major weather event, communication from the Branch Manager should be sent to all personnel listed within this Continuity Plan. This communication will advise all personnel to prepare for the possibility of a disaster affecting branch operations.

Additional Notification

- Additional notification will be sent to all clients;
- Notification of Disaster Event must be posted on BD Mortgage Group LLC’s main website
- E-Mail Auto responders should be set to explain the situation.

Preparation Procedures

Upon receipt of notification of a pending disaster, make the following preparations:

- Back-up all computers
- Associates back up all work
- Notification to customers
Activation of Continuity Plan

Step 1: Upon receiving a disaster indication, the Branch Manager/Team Leader will issue an email alert sent to:

- Email distribution list,
- Vendor Partners
- IT Personal

That email will contain a short text message outlining the problem and a short text message outlining action to be taken.

Step 2 - Plan placed into action

If it is determined by Leadership that all operations at the office location(s) are down, BD Mortgage Group LLC will take the following steps:

It may not be necessary to close remote locations – if all systems are web based allowing associates to work remotely.

- Phone & Email made to each associate
- Phones will be remotely forwarded to Branch Leadership Cell Phones and/or remote location phones.
- Virtual Loan Files and Processing Systems are web based and supported with servers from around the country and can be accessed by associates at remote locations.
- Notify Post Office, Courier Companies (Fedex, UPS, etc.) and request re-routing to temporary location if needed.
**Recovery**

Evaluation of main office to ensure that it is safe for associates to return and that all systems are fully functioning.
Fire Drills

Fire drills are required practice by the building maintenance group housing BD Mortgage Group LLC. This is done to test fire alarm systems and fire reporting procedures under simulated emergency conditions. Drills ensure familiarity with exits which in turn ensures that everyone gets out of the building promptly and in an organized manner to a place of safety. When the Branch Manager or ranking Team Lead is notified of a Fire Drill Test communication shall be emailed out to all appropriate Leadership.

Below are the steps to follow when establishing and participating in fire drills at BD Mortgage Group LLC:

- The Fire Safety Marshal is to arrange, conduct, and record drill results.
- The Fire Safety Marshal shall be the person in charge.
- The fire drill plan shall include everybody in the main office. There are no excuses for not participating. Everyone must leave the building during the drill period.
- Designate a meeting place outdoors which is away from the building and clear of entrances. The designated meeting place should be at least 50 feet from the building.
- Locate a method of calling 911 near the designated meeting place that does not involve re-entering the building.
- Establish a method to account for those known to be in the building at the time the alarm is sounded. In case of actual fire conditions, information regarding persons believed to be in the building should be made available to responding emergency crews. (Do not return inside. Only trained search and rescue personnel should re-enter an evacuated area.)
- The Fire Marshall shall terminate the fire drill by notify everyone that are allowed to return to the building by giving the “all clear” signal.