

# **TKC WEALTH MANAGEMENT**

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

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### **I. Emergency Contact Persons**

Our firm's emergency contact persons are:

Daniel Chen  
President  
TKC Wealth Management  
12900 Preston Road, Suite 700  
Dallas, TX 75230  
214-389-2558 direct  
469-688-4626 mobile  
214-389-2559 facsimile  
daniel.chen@tkcadvisors.com

Brian Tsai  
Financial Advisor  
TKC Wealth Management  
12900 Preston Road, Suite 700  
Dallas, TX 75230  
214-389-2554 direct  
214-808-9411 mobile  
214-389-2559 facsimile  
brian.tsai@tkcadvisors.com

Daniel Chen  
President  
TKC Wealth Management  
4100 Newport Place Drive, Suite 660  
Newport Beach, CA 92660  
657-699-1007 office  
214-389-2559 facsimile  
info@tkcadvisors.com

The firm will provide the contact information for the three emergency contact persons on our website, [www.tkcadvisors.com](http://www.tkcadvisors.com). Daniel Chen will promptly update any change in this information (but no later than 30 days following the change) and will review, and if necessary update, this information within 17 business days after the end of each calendar year.

Rule: *FINRA Rule 4370(f); NASD Rule 1160.*

### **II. Firm Policy**

Our firm's policy is to respond to a Significant Business Disruption (SBD) by safeguarding employees' lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting all of the firm's books and records, and allowing our customers to transact business. In the event that we determine we are unable to continue our business, we will assure customers prompt access to their funds and securities.

### A. Significant Business Disruptions (SBDs)

Our plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect only our firm's ability to communicate and do business, such as a fire in our building. External SBDs 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

Tyler Reinhard, Chief Compliance Officer a registered principal, is responsible for conducting the required annual review. Daniel Chen, as the Chief Executive Officer has the authority to approve and execute this BCP.

### C. Plan Location and Access

Our firm will maintain copies of its BCP plan and the annual reviews, and the changes that have been made to it for inspection. An electronic copy of our plan is located on TKC Server: /Business Continuity Plan.

*Rule: FINRA Rule 4370(b), (d) and (e).*

## **III. Business Description**

Our firm conducts business in life insurance, annuities, mutual funds, ETFs, UITs and private placements. Our firm is an introducing firm and does not perform any type of clearing function for itself or others. Furthermore, we do not hold customer funds or securities. We accept subscription documents and forward those documents for processing. Our firm services only retail customers.

## **IV. Office Locations**

Our firm has two office locations.

### A. Office Location

Our headquarters is located at 12900 Preston Road, Suite 700, Dallas, Texas 75230. Its main telephone number is 214-389-2000. Our employees may travel to that office by means of foot, car, train, bus, or bike. We engage in order taking and entry at this location.

Our branch office is located at 4100 Newport Place Drive, Suite 660, Newport Beach, CA 92660. Its main telephone number is 657-699-1007. Our employees may travel to that office by means of foot, car, train, bus, or bike. We engage in order taking and entry at this location.

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

In the event of an SBD, we will move our staff from affected office(s) to the closest unaffected location. We will transfer employees to the closest unaffected office location

and notify personnel. This may be the home of an employee temporarily until another office location is available.

Rule: FINRA Rule 4370(c)(6).

## **VI. Customers' Access to Funds and Securities**

Our firm does not maintain custody of customers' funds or securities. In the event of an internal or external SBD, if telephone service is available, our registered persons will take customer orders or instructions, and if our Web access is available, our firm will post on our website that customers may contact us at an alternative address and phone number. The firm will make this information available to customers through its disclosure policy.

The current products offered through TKC Wealth Management include insurance, annuities, mutual funds, UITs, stocks, ETFs, and bonds.

Rules: FINRA Rule 4370(a); Securities Exchange Act Rule 15c3-1; see also 15 U.S.C. § 78eee.

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

Our firm maintains its primary books and records in electronic form on the Microsoft 365 system administered by TeamLogic IT. The Microsoft 365 environment is backed up externally to SOC 1 and SOC 2 compliant Datto data centers. Tyler Reinhard and Brian Tsai are responsible for the maintenance of these books and records. Our firm maintains the following document types and forms: new account forms, blotters, subscription documents, enrollment forms, incoming and outgoing correspondence.

TeamLogic IT, (972-791-8078) is responsible for the maintenance of these back-up books and records.

All incoming and outgoing email by all TKC Wealth Management employees, associates, and independent contractors is archived by Smarsh.

In the event of an internal or external SBD that causes the loss of our records, we will recover them from our back-up site. If our primary site is inoperable, we will continue operations from our back-up site or an alternate location. For the loss of electronic records, we will either physically recover the storage media or electronically recover data from our back-up site, or, if our primary site is inoperable, continue operations from our back-up site or an alternate location.

Rule: FINRA Rule 4370(c)(1).

## **VIII. Financial and Operational Assessments**

### **A. Operational Risk**

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

*Rules: FINRA Rules 4370(c)(3),(c)(4), (c)(5), (c)(7), (c)(9 & (g)(2)).*

## **B. 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 to apprise them of our financial status. If we determine that we may be unable to meet our obligations to those counter-parties or otherwise 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 to discontinue business.

*Rules: FINRA Rules 4370(c)(3), (c)(8) & (g)(2).*

## **IX. Mission Critical Systems**

Our firm’s “mission critical systems” are those that ensure prompt and 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 and the delivery of funds. More specifically, these systems include email system with TKC Wealth Management and clients, electronic copies of client files.

We have primary responsibility for establishing and maintaining our business relationships with our customers and have sole responsibility for our mission critical functions of order taking.

Recovery-time objectives provide concrete goals to plan for and test against. They are not, however, hard and fast deadlines that must be met in every emergency situation, and various external factors surrounding a disruption, such as time of day, scope of disruption and status of critical infrastructure—particularly telecommunications—can affect actual recovery times. Recovery refers to the restoration of clearing and settlement activities after a wide-scale disruption; resumption refers to the capacity to accept and process new transactions and payments after a wide-scale disruption.

### **A. Our Firm’s Mission Critical Systems**

#### **1. Order Taking**

Currently, our firm receives orders from customers via telephone, fax, email, regular mail and in-person visits by the customer. 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 available methods of contact such as telephone, fax, email, regular mail or in-person visits.

## **2. Order Entry**

Currently, our firm enters orders electronically on our clearing firm platform or for direct orders, sending them via paper to the issuer or insurance carrier.

In the event of an internal SBD, we will enter and send records by the fastest alternative means available, which include may include regular mail, fax, or email. In the event of an external SBD, we will maintain the order in electronic or paper format, and deliver the order by the fastest means available when it resumes operations. In addition, during an internal SBD, we may need to refer our customers to deal directly with the issuer or clearing firm.

## **3. Order Execution**

We currently execute orders by way of our clearing firm (Charles Schwab & Co., Inc.) order entry system. Charles Schwab & Co., Inc. can be reach directly by clients if we are unable to access client accounts via the clearing firm order entry system. Alternately for direct business we provide paper order or electronic order to the sponsor for execution. Sponsors can be reached directly by clients if we are unable to access the sponsor.

## **X. Alternate Communications Between the Firm and Customers, Employees, and Regulators**

### **A. Customers**

We now communicate with our customers using the telephone, email, fax, U.S. mail, Federal Express service and in-person visits at our firm. 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. For example, if we have communicated with a party by email 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 or Federal Express.

*Rule: FINRA Rule 4370(c)(4).*

### **B. Employees**

We now communicate with our employees using telephone, email, 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. We will also employ a call tree so that senior management can reach all employees quickly during an SBD. The call tree includes all staff cell phone numbers. We have identified persons, noted below, who live near each other and may reach each other in person with an asterisk \*:

The person to invoke use of the call tree is: Daniel Chen. Brian Tsai will complete the call tree once contacted by Daniel Chen.

<b>Caller</b>	<b>Call Recipients</b>
<i>Ting Kuo (Daniel) Chen 469-688-4626</i>	<i>Tyler Reinhard 920-236-7006</i>
<i>Brian Tsai 214-808-9411</i>	<i>Lin (Lilly) Han 980-322-3690</i>
	<i>Anders Ting 214-566-7990</i>
	<i>Jayson Zhou 713-576-9060</i>
	<i>Lu Liu (accountant) 419-819-5675</i>

Rule: *FINRA Rule 4370(c)(5).*

### C. Regulators

*U. S. Securities and Exchange Commission*

*FINRA*

*State of Texas*

*State of California*

*State of Wisconsin*

We communicate with our regulators using telephone, email, fax, U.S. mail, Federal Express delivery, 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.

Rule: *FINRA Rule 4370(c)(9).*

## **XI. Critical Business Constituents, Banks, and Counter-Parties**

### A. Business constituents

We have contacted 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 determined the extent to which we can continue our business relationship with them in light of the 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.

Rules: FINRA Rule 4370(c)(7).

### B. Banks

We have contacted our banks and lenders to determine if they can continue to provide the financing that we will need in light of the internal or external SBD. The bank maintaining our operating account is: Comerica Bank, 1201 East Belt Line Road, Richardson, TX 75081, 469-330-3906. If our banks and other lenders are unable to provide the financing, we will seek alternative financing immediately from an operating banking institution.

Rules: FINRA Rule 4370(c)(7).

### C. Counter-Parties

We have contacted our critical counterparties, such as broker-dealers and 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 contact those counterparties directly to make alternative arrangements to complete those transactions as soon as possible.

Rules: FINRA Rule 4370(c)(7).

## **XII. Regulatory Reporting**

Our firm is subject to regulation by:

*U. S. Securities and Exchange Commission*

*State of Texas*

*State of California*

*State of Wisconsin*

*State of New York*

We now file reports with our regulators using paper copies in the U.S. mail, and electronically using fax, email and the Internet. In the event of an SBD, we will check with the SEC and other regulators 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.

U.S. Securities and Exchange Commission

Fort Worth Regional Office

Burnett Plaza, Suite 1900

801 Cherry Street, Unit 18

Fort Worth, TX 76102

817-978-3821

dfw@sec.gov

District 6

12801 North Central Expressway

Suite 1050

Dallas, TX 75243

972-701-8554

Texas State Securities Board  
208 E. 10<sup>th</sup> Street, 5th Floor  
Austin, TX 78701  
(512) 305-8300

California Dept of Corporations  
320 W. 4<sup>th</sup> Street, Suite 750  
Los Angeles, CA 90013  
(213) 576-7500

Wisconsin Dept. of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, WI 53705  
(608) 266-2139

New York Investor Protection Bureau  
28 Liberty St., 15<sup>th</sup> Floor  
New York, NY 10005  
(212) 416-8222

*Rule: FINRA Rule 4370(c)(8).*

### **XIII. Disclosure of Business Continuity Plan**

Attached is our written BCP disclosure statement we provide customers at account opening. We also mail it to customers upon request.

*Rule: FINRA Rule 4370(e).*

### **XIV. Updates and Annual Review**


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

*Rule: FINRA Rule 4370(b).*

### **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.

*Rule: FINRA Rule 4370(d).*

Signed:   
Title: President  
Date: 3/30/2023



Attachment A to Business Continuity Plan

**TKC Wealth Management**  
**Business Continuity Planning**

TKC Wealth Management has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our business continuity plan.

**Contacting Us** – If after a significant business disruption you cannot contact us as you usually do at 214-389-2000. If you cannot access us through either of those means, you should contact Tyler Reinhard, Chief Compliance Officer at 214-389-2555 or 920-236-7006 or Daniel Chen, Chief Executive Officer at 214-389-2558 or 469-688-4626. If you cannot access us through either of those means, you should contact our Clearing Firm, Charles Schwab & Co., Inc. directly if your account is a custodial account there, or your mutual fund or insurance company directly. Charles Schwab & Co., Inc. can be reached to provide prompt access to your funds and securities enter orders, and process other trade-related, cash, and security transfer transactions: contact information Charles Schwab & Co., Inc. can be found on your account statement. If you have purchased a product directly and not through our clearing firm Charles Schwab & Co., Inc., you should contact that company directly using the phone number provided on their statements to you.

**Our Business Continuity Plan** – We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm's books and records, and allowing our customers to transact business. In short, our business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption. Our business continuity plan addresses: data backup and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

Our IT dept. backs up our important records in a separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by our clearing firm that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments within 4 hours. Your orders and requests for funds and securities could be delayed during this period.

**Varying Disruptions** – Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to a local site when needed and expect to recover and resume business within 24 hours. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the affected area and recover and resume business within 48 hours. In either situation, we plan to continue in business, transfer operations to our office in Texas or California depending on where the disruption takes place or Interactive Brokers Corp. as applicable and notify you via phone how to contact us. If the significant business disruption is so

severe that it prevents us from remaining in business, we will assure our customer's prompt access to their funds and securities.

**For more information** – If you have questions about our business continuity planning, you can contact us at 214-389-2000 or email us at [info@tkcadvisors.com](mailto:info@tkcadvisors.com).