

Continuity Statement

The Small Exchange, Inc. (“Small Exchange”) is committed to providing our members and participants with secure and reliable access to the Exchange systems. This commitment includes providing information regarding plans to address disruptions in our business operations due to power outages, natural disasters or other significant events. In the event of a disruption, the Exchange has a Business Continuity and Disaster Recovery Plan that is intended to permit the firm to maintain business operations such as order processing, trade matching, transmission of orders for clearance and settlement, price reporting, market surveillance, maintenance of comprehensive audit trail reporting, and access to trade files and Risk Monitoring.

Here are a couple of examples of how the Small Exchange’s plan addresses disruptions of varying scope and magnitude:

- Disruption of service at our primary data center will result in a transition to systems at an alternate data center. Our data centers are each supported by backup power generators and are located in different regions of the country, one in Aurora, IL and the other in Jersey City, NJ, with different power grids and transportation networks. The dispersal of these data centers is designed to ensure that our ability to continuously support order processing, trade matching, price reporting, market surveillance, construction of audit trail reports and access to critical information for the orderly functioning of our market.
- The Small Exchange production and disaster recovery systems are housed in Tier 1 Data Centers which employ strict access controls, including restricting authorized entry to only listed personnel and man traps. Both production and disaster recovery data centers complete annual SOC Type II audits.
- Disruption of service at one of our service centers will result in calls, orders, technology support and electronic communications being re-routed to another service center. This alternative support center will allow the firm to maintain critical services and support for our operation of the Exchange.

Although the Small Exchange has taken significant steps to develop and implement sound business recovery practices, after a significant business disruption, participants of the Small Exchange may still experience some type of reduced service disruption, or reduced access as the firm recovers. The Exchange will continually assess, update and test our plans to ensure the Exchange plans are robust and consistent with many of the best practices in the industry.