



BUSINESS CONTINUITY & SUCCESSION PLAN

April 2018



BUSINESS CONTINUITY PLAN

I. Purpose and Advisor Policy

Black Swan Quant Advisors LLC (“Advisor”) has adopted this *Business Continuity Plan* (“*BCP*”) pursuant to the Investment Advisers Act and the rules and guidance of the U.S. Securities and Exchange Commission (“SEC”) and the laws of the States of Florida.

The purpose of this BCP is to define the strategies and plans that will be used by Advisor during a *Significant Business Disruption* (“*SBD*”). An SBD includes any event or situation that significantly impacts the Advisor’s ability to provide advisory services to its clients. The BCP outlines the Advisor’s procedures designed to ensure that critical business functions can continue during and after an SBD and that the Advisor can resume operations as quickly as possible after an SBD. The BCP is prepared to address both internal SBDs, such as a fire in Advisor’s building or the death of key personnel, and external SBDs, such as a natural disaster, terrorist attack, or citywide power disruption. It is also designed to address SBDs of different severities.

In the event of an SBD, it is Advisor’s policy to do the following to the extent reasonable and practical under the circumstances:

- Safeguard employee lives and firm property;
- Make a financial and operational assessment;
- Promptly recover and resume operations;
- Protect the firm’s books and records; and,
- Communicate with its customers and allow them to transact business.

Although the firm does not maintain custody of customer assets, in the event of an SBD, Advisor will assist customers to access their assets at the brokers that have custody of the assets. In the case of an external SBD, Advisor’s ability to react will depend heavily on access to other organizations and systems, such as the availability of electricity, telephones, Internet and transportation.

In creating this BCP, the Advisor has assumed that the firm’s designated alternate office will be available, that Advisor has sufficient personnel, and that government agencies and market systems are operational during and after the SBD. If any of these assumptions are incorrect, the Advisor’s business could be disrupted until matters are resolved. No



contingency plan can eliminate all risk of service interruption, but Advisor will continue to assess and update its plans to mitigate all reasonable risks.

II. Plan Approval, Review, Location and Disbursement

A. Approval and Review of Plan

The below chart reflects the dates of creation and review and necessary revisions to the BCP. The BCP will be reviewed annually to determine whether any modifications are necessary in light of changes to Advisor’s operations, structure, business or location or new regulatory requirements.

Franco Castro, as CEO & CCO of the Advisor, is responsible for approving the plan and for conducting annual reviews. During the fourth quarter of each fiscal year, Franco Castro will review the Advisor’s BCP to determine whether any revisions are needed, and will revise the BCP if necessary to ensure it meets the firm’s needs and regulatory requirements. An updated copy of the BCP will be distributed to all of Advisor’s employees within forty-eight (48) hours of any amendment.

Advisor will also test the Business Continuity Plan to identify any weaknesses and gaps at least annually. This may include testing of areas such as: accessing back-up records; hardware functions at the alternate business location; verification of current contact information and any designated duties for employees, clients and business partners; verification of vendors, service providers, software and equipment; and conforming the firm’s business practices to the BCP and regulatory requirements.

Effective Date	Description of Action	Name and Title of Firm Employee or Executive
January 1, 2017	Creation of BCP	Juan Alfredo Gomez, President
January 1, 2018	Annual Review of BCP	Franco Castro, CCO
April 30, 2018	Update of BCP	Franco Castro, CCO



B. Plan Location and Access

Advisor will maintain copies of its BCP, the annual reviews, and any revisions made to the plan. The BCP will also be published on the firm's public website located at <http://www.blackswanquant.com>.

C. Disbursement of Plan

All employees of Advisor will review the BCP upon beginning their employment. When the BCP is updated, all employees will review the revised plan. The Advisor will periodically train all its employees on the BCP's requirements.

III. Key Personnel and Succession Plan

Advisor's key personnel and persons responsible for executing this BCP in the event of an SBD are:

Franco Castro – CCO
Email address: fcastro@bsquant.com
Telephone number: (305) 775-3874

Juan Alfredo Gomez – Portfolio Manager
Email address: jagomez@bsquant.com
Telephone number: (786) 205-7660

In the event that these key personnel die or become incapacitated or otherwise unavailable, the following persons are authorized to execute this BCP and carry on Advisor's business and/or wind down the business: Jessica Weise, Investor Relations officer from the Advisor. This person has been trained on how to execute the provisions of the BCP and carry on Advisor's business and/or wind down the business. Jessica Weise has power of attorney to act on behalf of Advisor with third parties, including custodian institutions, banks and regulators.



IV. Business Description

Advisor is a Florida state-registered advisor that transacts business in listed equity, options, fixed income, convertible securities, private equity and derivative securities. Advisor provides analysis and advice on securities by making direct or indirect recommendations to clients or by providing research or opinions on securities or securities markets. Advisor is compensated for providing this analysis and advice. Advisor is also authorized to execute trades in customer's accounts on their behalf. Advisor services both individual and institutional customers, as well as numerous private funds.

Advisor sends all public securities transactions to executing brokers, which process and settle its orders. Advisor does not act as a broker and does not hold client funds or securities.

V. Office Location

Advisor's primary office is located at 600 Brickell Avenue, Suite 1550, Miami, Florida 33131. The main telephone number is (305) 570-1758. Employees travel to that office by means of automobiles. Advisor engages in client interactions, order entry, keeping of books and records, etc. at the primary office.

VI. Alternative Physical Location(s) of Employees

In the event of an SBD, Advisor will move its staff from the affected office(s) to 803 E. Dilido Drive, Miami Beach FL 33139. The main telephone number at the alternate location is (786) 205-7660. If Advisor cannot return to its primary office within a reasonable amount of time following the SBD, it will evaluate whether to permanently move to a new primary office location.

In the event of an SBD involving widespread lack of telecommunications, transportation, electricity, office space, fuel and water, Advisor will consider its employees' ability to work remotely during the SBD, as well as how employees may work in the absence of telephone and/or Internet access if necessary.



VII. Customer Access to Funds and Securities

Advisor does not hold customer funds or securities. Customer funds and securities are held with:

1. Insigneo Securities clearing through BNY Pershing, 777 Brickell Avenue, 10th floor, Miami FL 33131, telephone number: (305) 373-9000, website: www.insigneo.com, and customers have access to those funds and securities independent of Advisor. The business continuity plan of BNY Pershing is available at www.pershing.com.
2. Interactive Brokers, 1 Pickwick Plaza, Greenwich 06830, telephone number: (312) 542-6901. The business continuity plan of Interactive Brokers is available at www.interactivebrokers.com

In the event of an SBD, Advisor will continue to handle customer assets as it did before the SBD to the extent possible based on the availability of BNY Pershing and Interactive Brokers' platform.

VIII. Data Back-Up and Recovery (Hard Copy and Electronic)

Advisor maintains its primary hard copy books at 600 Brickell Avenue, Suite 1550, Miami, Florida 33131. The records are also stored electronically on a digital cloud by Microsoft Office. The cloud can be accessible from anywhere with Wi-Fi connection only by the employees of the firm. Franco Castro, is responsible for the maintenance of these primary books and records. Advisor maintains the following document types and forms that are not transmitted to BNY Pershing and Interactive Brokers such as agreements with Advisor, records of payment to Advisor, etc.

Advisor maintains its back-up hard copy books and records at 803 E. Dilido Drive, Miami Beach FL 33139. Juan Alfredo Gomez is responsible for the maintenance of these back-up books and records. Advisor backs up its paper records by copying them and taking them to the back-up site. Advisor backs up its paper records every year.

In the event of an SBD that causes the loss of paper records, Advisor will physically recover them from the back-up Microsoft cloud. For the loss of electronic records, Advisor will either physically recover the storage media or electronically recover data from the back-up site.



IX. Operational and Financial Assessments in the Event of an SBD

A. Operational Risk

In the event of an SBD, Advisor will immediately assess and identify what means will permit it to communicate with customers, employees, regulators, any custodian institution(s) holding customer funds and securities, and critical business constituents and counterparties. Although the impact of an SBD will determine the means of alternative communication, Advisor may employ BNY Pershing NeoVest remote access, telephone voice mail, secure email, etc. In addition, Advisor will retrieve key activity records as described in Section VIII, above, Data Back-Up and Recovery (Hard Copy and Electronic).

B. Financial and Credit Risk

In the event of an SBD, Advisor will determine its financial ability to continue to operate and service its customers. Advisor will contact the custodian firm, clients and critical banks to apprise them of its financial status. If Advisor determines that it is unable to fund its operations, it will request additional financing from its bank or other credit sources to fulfill its obligations to customers.

X. Critical Systems

Advisor's critical systems are those that: (i) allow Advisor prompt and accurate access to client accounts and records, (ii) allow Advisor to communicate investment advice and analysis to customers, and (iii) allow Advisor to receive and transmit orders from or on behalf of customers to BNY Pershing and Interactive Brokers for execution.

Advisor has primary responsibility for establishing and maintaining business relationships with customers and transmitting orders from or on behalf of customers to BNY Pershing and Interactive Brokers for execution. BNY Pershing and Interactive Brokers has responsibility to receive, execute, clear and settle orders from Advisor or its customers.

Advisor has received and reviewed a copy of the business continuity plan of BNY Pershing and Interactive Brokers. The BNY Pershing and Interactive Brokers has represented that it will advise Advisor of any material changes in its business continuity plan that might affect Advisor's ability to maintain its business.



XI. Critical Business Constituents, Banks and Counterparties

Advisor has contacted its critical business constituents (businesses with which it has an ongoing commercial relationship in support of its operating activities, such as vendors and banks), and determined the extent to which Advisor can continue its business relationship with them in light of an SBD. Advisor will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when needed. Advisor's critical business constituents include: Accountant, banks, fund administrator, third party vendors, etc.

Advisor requires all of its service providers to provide it with copies of their Business Continuity Plans. Under some circumstances, Advisor may require certain service providers to annually test their plans and report those test results to Advisor.

Advisor has contacted its banks and lenders to determine if they can continue to provide the financing that Advisor needs in light of an internal or external SBD. The bank maintaining Advisor's operating account is: Bank of America, 701 Brickell Avenue, Miami FL 33131.

Advisor has also contacted its critical counterparties, such as broker-dealers or institutional customers, to determine if Advisor will be able to carry out its transactions with them in light of an internal or external SBD. Where transactions cannot be completed, Advisor will work with its clearing firm or contact those counterparties directly to make alternative arrangements to complete transactions as soon as possible.

XII. Communication of SBD to Other Parties

In the event of an SBD, including the death or unavailability of key personnel, the persons executing this BCP will determine the persons that need to be notified about the SBD, including employees, customers, regulators, custodians, and critical business constituents. The persons who need to be notified, and how, will vary with the circumstances of the SBD.

During an SBD, Advisor will ensure, to the extent possible, that its website reflects the firm's operational status and contact information. Advisor may place status messages on its website indicating to customers, for instance, the nature of the SBD or the status of its services to customers.



XIII. Alternative Communications Plans

A. Customers

Advisor now communicates with customers using telephone, email, fax, U.S. mail, and in-person visits. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form (written or oral) to the means that Advisor used in the past to communicate with the other party.

In the case of an expected SBD, such as a forecasted storm, Advisor will consider proactively contacting customers to determine whether they need to execute any transactions (e.g., fund transfer, wire instructions, closing out positions) in case of an extended outage.

B. Employees

Advisor now communicates with its employees using telephone, email, and U.S. mail. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form to the means that Advisor has used in the past to communicate with the other party.

A dedicated emergency hotline (hosted offsite) is available for central messaging and employee communications.

C. Regulators

Advisor is currently registered as an investment advisory firm with the State of Florida. Advisor currently reports to the following regulators: Office of Financial Regulation, Division of Securities of the State of Florida. Advisor communicates with its regulators using telephone, email, fax, and U.S. mail. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form to the means that Advisor has used in the past to communicate with the other party, including to make any necessary filings, disclosures, etc.

In the event that Advisor cannot contact its regulators, it will continue to file required reports to the extent possible using the communication means available to it. Advisor's primary persons of contact with its regulators is: Jessie Jacques, Florida Office of



Financial Regulation, Division of Securities, phone number (305) 536-0308. In the event of an SBD, Franco Castro will be responsible for ensuring that the Advisor has access to the Investment Adviser Registration Depository (IARD) system, the electronic filing system that facilitates investment advisor registration, and that all appropriate Form ADV filings, including annual and interim amendments, are made and maintained.

In the event of a formal or informal inquiry made by any federal or state regulatory agency during an SBD, Franco Castro, the CCO of the firm, will be responsible for receiving all calls and/or all other requests for further review.

D. Custodians

BNY Pershing and Interactive Brokers currently holds the funds and/or securities of Advisor's customers. Advisor currently communicates with these institutions using telephone, email, and U.S. mail. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form to the means that Advisor has used in the past to communicate with the custodians.

E. Critical Business Constituents, Banks and Counterparties

Advisor now communicates with its critical business constituents using telephone, email, and U.S. mail. In the event of an SBD, Advisor will assess which means of communication are still available, and use the means closest in speed and form to the means that Advisor has used in the past to communicate with the other party.

XIV. Disclosure of Business Continuity Plan

Customers will receive a copy of a BCP summary disclosure statement when they open their accounts with Advisor. A copy of the BCP summary disclosure is attached to the BCP. Advisor also posts its BCP on its website located at www.blackswanquant.com and will mail it to customers upon request.

A. Our Business Continuity Plan

In the event of an SBD, Advisor will safeguard employee lives and firm property. Advisor will work to re-establish the systems necessary to quickly recover and resume operations, protect Advisor's books and records and allow Advisor's customers to transact business to the extent reasonable and practical under the circumstances. Advisor's BCP addresses:



alternate office locations, customer access to funds and securities, financial and operational assessments, data backup and recovery, critical systems, alternative communications with customers, employees, and regulators, and critical business constituents.

B. Contacting Advisor and Accessing Funds and Securities

If you are not able to contact Advisor through our regular telephone number (305) 570-1758, please contact us at our alternate number (305) 504-8770. For questions relating directly to accessing your funds and securities, please contact Insigneo Securities at (786) 724-1057, and alternate number from that institution's business continuity plan (305) 373-9000.

C. Varying Disruptions

SBDs can vary in their scope, from only our firm to 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 intend to transfer our operations to a local site when needed and expect to recover and resume business within a four-hour time period. In a disruption affecting our business district, city, or region, we intend to transfer our operations to a site outside the affected area, and recover and resume business within a 24-hour time period. In either situation, we plan to continue in business. However, the ability of Advisor to fully function is dependent on outside sources outside of its control, including the availability of electricity, telephones, Internet, transportation, and the functioning of institutions and markets worldwide. Nothing in Advisor's BCP or this disclosure statement is intended to provide a guarantee or warranty regarding the actions or performance of Advisor.

D. Additional Information

If you have questions about our business continuity planning, please contact us at (305) 570-1758.