

SORRENTO PACIFIC FINANCIAL, LLC BUSINESS CONTINUITY DISCLOSURE STATEMENT

Sorrento Pacific Financial, LLC (“SPF”) has developed and tested 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.

SPF Headquarters and Staff – SPF headquarters including our operations, trading, service center and back office support is located in San Diego, California. SPF has representatives, program managers, and sales support staff located throughout the country. Data for SPF customers regarding account balances, trading activity and documentation is maintained in geographically diverse centers including Pershing, LLC in New Jersey and OrcasNet in Washington State.

Contacting Us and Access to Your Funds – If after a significant business disruption you cannot contact SPF as you usually do at 858-805-7900, you should go to our website at www.mybd.com. If you cannot access us through either of those means, you should contact our clearing firm, Pershing, LLC, P.O. Box 2065, Jersey City, New Jersey 07303-2065; or 201-413-3635, for instructions on how it may process limited trade-related transactions, cash disbursements, and security transfers for brokerage accounts. For direct business accounts customers may contact the appropriate advisory, insurance or mutual fund company that holds the account. Contact information for the direct business provider can be found on the account statement.

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 clearing firm, Pershing, LLC, backs up our important records in a geographically 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 4 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 24 to 48 hours. In either situation, we plan to continue in business, transfer operations to our clearing firm if necessary, and notify you through our

website www.mybd.com or our customer emergency number, 858-805-7900 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.

Important Disclosures – SPF will adhere to the procedures described in its Business Continuity Plan. There are however, circumstances beyond the control of SPF. Therefore, SPF, in its sole discretion, reserves the right to flexibly respond to any disruption in a situation-specific and prudent manner. Additionally, if parts of our plan are dependent upon third parties, we will have no control over the success or failure of the third party.

For more information – If you have questions about our business continuity planning, you can contact us at 858-805-7900 or spfcomp@mybd.com.