



**ITG Inc.  
Business Continuity Plan (BCP) Summary Document**

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**June, 2007**

The following summarizes the policies, plans and standards that ITG maintains regarding business continuity and the protection of our people and infrastructure. It is provided for use outside the company for customer requests and for use on the company's public website. The confidentiality of our proprietary information, our locations and our people has been maintained throughout the document.

## **I. Firm Policy**

ITG's Business Continuity Plan ("BCP") establishes the following standards:

1. Essential ITG locations, business units and products, as determined by the annual BIA process, are required to implement business continuity measures to mitigate risks, manage crises, provide for business recovery, conduct testing, conduct training and awareness programs, and maintain up-to-date plans.
2. The senior management representative at each ITG location will assess current operations, identify applicable business risks, and develop, test and maintain strategies and plans for the continuity of critical business processes and support functions.
3. The senior management representative at each ITG location is accountable for implementing appropriate business continuity plans. Each location shall devote appropriate resources to be certain of the effective implementation and maintenance of the comprehensive business continuity plans.
4. Metrics used to evaluate the BCM efforts of each business unit; product or location will include the results of the annual BIA process.
5. The VP, Global Business Continuity will review and update the BCM Policies, Guidelines and Standards documentation annually.
6. Recovery solutions must be implemented for all essential business processes of ITG. BC Plans shall be created for each ITG location as well as for the critical applications and business units at any specific location.
7. Service providers and external partners of the Firm that are directly relevant or material to our core businesses are required to have sufficient Business Continuity processes, plans, and infrastructure to protect themselves from business interruptions. The same applies to all subcontractors and vendors of those service providers and partners. This must be contractually stipulated and must be confirmed prior to committing to any outsourcing or external service agreement. These service providers or partners must be able to produce evidence of their business continuity plans upon request.

## **Significant Business Disruptions (SBDs)**

Our plan addresses internal and external SBDs.

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, especially on the capabilities of our vendor, SunGard.

The BCP is designed to create a state of readiness that will provide an immediate response to any of the following incident scenarios:

- Any incident causing physical damage such as fire, smoke or water damage.
- Any incident that indirectly affects facility access such as storm closure, emergency building evacuation due to bomb threat, or external threat such as a fire or hazardous materials spill to a nearby facility.
- Impending or unexpected regional disaster such as a hurricane or impending flood.
- Any external incident, which potentially could cause a business interruption, such as loss of electrical or telecommunications service, gas leaks or water leaks / floods.

In the event of a disaster, the focus of the company will shift from the current structure and function of "business as usual" to the structure and function of an organization working towards survival and the resumption of priority business operations. In the plan, ITG's continuity organization is structured into phases. Each phase involves plans and the teams within those plans. Each plan represents a functional department. The teams associated with a plan represent functions of a department or support functions developed to respond to emergencies, and to resume, recover or restore operations or facilities of ITG. Each of the teams is comprised of individuals with specific responsibilities or tasks, which must be completed to fully execute the plan. A primary and alternate team leader is responsible to lead each team.

Each plan represents a unit, and each team a sub-unit of the business continuity organization. They are structured to provide dedicated, focused support, in the areas of their particular experience and expertise, for specific response, resumption and recovery tasks, responsibilities, and objectives.

Cross-departmental coordination will be necessary to execute the BCP. Each team's eventual goal is the resumption/recovery and the return to stable and normal business operations and technology environments. Each team leader will report status and progress updates to the plan owner. Close coordination must be maintained with Executive Management and each of the other teams throughout the resumption and recovery operations.

ITG has created a Business Continuity Planning team, called the Global Recovery Board, managed by the Managing Director of Technology and the Director of Global Operations. Regional Incident Management Teams (IMT) have been created in North America, Europe and Asia, as well as local Incident Management Teams at each corporate location.

The process for notification and escalation of any incident is to report an incident through the 866 Corporate Emergency Phone Number, invoke the Global Recovery Board and/or Incident Management Teams, and all documented and tested processes to respond to an emergency. Individual recovery procedures are then initiated for all business units as may be necessary.

The length of time that operations can be run from ITG's alternate sites is indefinite. ITG has alternate sites for failover of systems and applications, for recovery of trading desk capabilities and for recovery of all other critical business functions during an incident.

ITG has also made changes in its infrastructure to greatly enhance capabilities for remote access in order to allow distributed and flexible work options for its employees around the globe. ITG will continue to evolve its efforts and capabilities, consistent with best practices in the Securities industry and guidance from regulators.

Full documentation of all recovery processes and procedures reside with the individual business units and is housed online in the ITG intranet. Internal and external client and vendor communication contacts are detailed in the plan documents. All internal contact information is available in the plan documents.

The Crisis Management Centers (command centers) are designated at a main site and at an alternate location.

ITG's BCP is reviewed and approved annually by members of senior management in accordance with NASD Rules.

## **II. Business Description**

ITG is an institutional agency-focused broker-dealer. ITG offers a variety of products to enable the full spectrum of trading activity, pre-trade, trade and post-trade. In addition, our firm offers agency execution services through our Portfolio trading desk and our proprietary trading tools. ITG Research provides clients with a comprehensive suite of analytics, models, trading strategies and applications designed and implemented to maximize the efficiency of the entire investment process, from portfolio construction to post-trade analysis.

ITG is responsible for self-clearing, but all customer transactions are completed in conjunction with our vendor, SunGard, including reconciliation of accounts, allocation, clearing and settlement. SunGard is one of the premier disaster recovery service providers and specifically provides that assistance to us for all transactions included in our contract with them for trade processing and clearing services.

Our trade processing and clearing services vendor is SunGard Financial Systems, and our contact person at that firm is Lou Langone (781) 999-9264, [Lou.Langone@sungard.com](mailto:Lou.Langone@sungard.com).

### **III. Office Locations**

ITG has North American offices located in New York City, Boston, MA, Rye Brook, NY, Culver City, CA and Toronto, Canada.

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

In the event of an SBD for New York City, we will move our staff to alternate locations as well as our disaster recovery facility. In the event of an SBD for our Rye Brook office, we will move our staff to an alternate location. In the event of an SBD for our Boston office, we will move our staff to an alternate location. In the event of an SBD for our Culver City office, the staff in New York City and Boston will provide coverage to customers normally serviced by our Culver City staff.

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

Our firm does not maintain custody of customers' funds or securities. All of our accounts are Delivery vs. Payment (DVP) or Receive vs. Payment (RVP). In the event of an internal or external SBD, if telephone service is available, customers may contact ITG Clearing Operations at (212) 444-6450.

### **VI. Alternate Communications Between the Firm and Customers**

ITG communicates with its customers using the telephone, e-mail, our Web site, fax, U.S. mail, and in person visits at our firm or at the other's location. 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.

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

We disclose in writing to our customers the availability of a summary of our BCP upon account opening and annually. Furthermore, ITG will provide a summary of our BCP to customers upon request.

### **VIII. Updates and Annual Review**

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

**For more information, or if you have any questions about our Business Continuity Planning, please contact David Blackmar, VP, Global Business Continuity at (212) 444-6227.**