

## **Broker-Dealer Notice of Business Continuity Plan**

Capital Investment Group, Inc. and Capital Investment Brokerage, Inc. have developed a Business Continuity Plan relative to 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.

Our goal is 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.

The Business Continuity Plan anticipates internal and external business disruptions. Internal disruptions affect only our firm's ability to communicate and do business, such as fire in our building. External disruptions 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. In light of potential internal and external business disruptions, our Business Continuity Plan addresses data back-up 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.

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, if access to our building is not permitted, we will transfer our operations to alternative building location currently leased by our company. In a disruption affecting our business district, city, or region, we will partner with our clearing agents whereby they will assume transaction processing and assurance of customer access to funds and securities.

Should you be unable to contact your broker, and our main office cannot be contacted within a reasonable amount of time, you can contact the custodian of your funds and securities. If you are a client of Capital Investment Brokerage, Inc. or Capital Investment Group, Inc., whose funds and securities are held at a clearing agent, you can contact Pershing, LLC at (201) 536-6829. All other entities serving as custodian of your funds and securities can be contacted directly at the telephone number listed on a current account statement, previously provided prospectuses, or on their website.

Please be advised that business continuity plans are subject to change in light of technology and changes in business risk.