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COURTIERS EN VALEURS MOBILIÈRES**

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## **Protecting Your Business**

### **Business Continuity/Disaster Recovery Planning**

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**TELUS BUSINESS SOLUTIONS**



# Business Continuity/Disaster Recovery Planning

- **Agenda:**
  - By-Law 17.19
  - BC/DR Planning – The Structure
  - BC/DR Planning - Build Vs Buy
  - How A 3<sup>rd</sup> Party Vendor Can Help
  - Summary And Conclusion



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# IDA By-law 17.19

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## Protecting Your Industry.....

**Every Member shall establish and maintain a business continuity plan identifying the necessary procedures to be undertaken during an emergency or significant business disruption. Such procedures shall be reasonably designed to enable the Member to stay in business in the event of a future significant business disruption in order to meet *obligations to its customers and capital markets counterparts* .....**

# IDA By-law 17.19

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What it means to you ....

- **The objective of By-law 17.19 is to ensure that, in the event of an emergency, firms can keep operating at a given level, so as to:**
  - Meet legal, fiduciary and regulatory obligations
  - Meet customer obligations
  
- **To meet this objective, each member firm has to develop and maintain a business continuity plan that:**
  1. Meets a set of minimum standards.
  2. Will provide appropriate / effective recoverability from a *significant business disruption (SBD)*.
  3. Meets the laws, regulations, and unique circumstances of their jurisdiction and location.

# IDA By-law 17.19

## Significant Business Disruption

- **A *Significant Business Disruption* is defined as an event which:**
  - Prevents access to the normal business premises and/or
  - Prevents access to primary systems and services.
- **For Example:**
  - Human Error
  - Fire / Smoke Damage
  - Burst Water Pipe
  - Electrical failure
  - Computer virus / computer failure

The BCP shall be designed with the “worst case” scenario in mind.

# IDA By-law 17.19

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## Timetable:

- **Once the By-Law is approved, a Notice to Members will be released.**
- **From that point, members will have 12 months to:**
  1. Develop the BCP
  2. Test the BCP
  3. Have the BCP reviewed
- **Members can expect the Notice, within the next 3-6 months.**

Now is the time to start the planning and preparations !

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# Structure for Business Continuity Planning

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**Business Continuity Planning is driven from the top down.**

- **The BCP Officer:**

- The BCP Officer is a senior manager, who is the 'champion / keeper' of the Business Continuity Plan.
- Ensures resources/funding are available.

- **Senior Management Team:**

- Responsible for approving initial and updated Business Continuity Plans.

# Strategy for Business Continuity Planning

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To comply with By-law 17.19, the BCP must have the following primary components:

## 1. Plans and Procedures

- Senior Management Crisis Management Plan
  - Documents procedures & support facilities required by senior managers.
- Incident Management Plan
  - Documents staff responsibilities.
  - Includes internal / external communications procedures and procedures required for continuity and recovery.

## 2. Staff Awareness Plan

- Designed to ensure all staff members are aware of their roles and responsibilities during a crisis.

# Strategy for Business Continuity Planning

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## 3. Facilities and Infrastructure

- Systems
- Technologies
- Data
- Recovery Sites

## 4. Business Continuity Plan Review and Test Procedures

- Plans must be reviewed and approved by senior management to ensure they meet IDA standards.
- Once completed, the BCP must be tested to prove it is fully operational.
- Business Continuity Plans are to be reviewed by an independent third party.
- Senior management will review and approve the BCP annually.

The BCP is a living document and must be up-to-date at all times.

# Required Standards for the BCP

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To meet these strategic goals, the following standards must be met:

## 1. Communications:

- Contact lists / procedures to contact all employees, building management, *customers* and counterparties.
- Alternative communications methods should also be detailed.

## 2. Recovery Site:

- Recovery site and required infrastructure ( as required) shall be geographically distant from the primary site.

## 3. System Back-Up:

- Comprehensive back-up processes to ensure data / application source code is protected and quickly recoverable.

# Required Standards for the BCP

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## 4. External Dependencies:

- All key third party companies must demonstrate an effective and proven business continuity capability.

## 5. Vital Records:

- All vital records (regardless of media) shall be
  - Duplicated and stored in a geographically separate location.
  - Current
  - Available for use in the required time frame.

## 6. Staff Awareness:

- Staff shall be trained and fully capable of performing their required duties at the alternate site.

# Required Standards for the BCP

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## 7. Maintenance of BCP:

- Business Continuity must be included as part of the development/introduction of new products/services and infrastructure.

## 8. Human Resources Plan:

- Provision of HR services (including payroll, financial assistance and grief counseling ) must be included as part of the BCP.

## 9. Management Reporting:

- The BCP officer is required to report to senior management, on a quarterly basis.

# BC/DR Planning – The Toolkit

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- **Developing a By-law 17.19 compliant Business Continuity Plan requires a clear, structured, well defined process.**
- **The *critical* first step in this process is the Business Impact Analysis (BIA).**
- **The BIA looks at all aspects of your brokerage, and asks the question**
  - **“What Would Happen If ..... ?”**

The BIA is a straightforward, highly structured, process.

# BC/DR Planning – The Toolkit

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## Step 1: Business Impact Analysis

### The Business Impact Analysis is a process designed to:

- Identify the critical applications and timeframe for recovery.
  - Recovery Point Objectives
  - Recovery Time Objectives
- Identify the IT infrastructure to support those critical applications.
- Review system backup strategy and identify areas of deficiencies with recommendations if any.
- Identify network components required in order to connect to the recovery site in the event of a disaster.
- Identify critical external connections.
- Review the Data Centre environment and protection in terms of security, power, UPS, HVAC and fire protection.

# BC/DR Planning – The Toolkit

## Step 1: Business Impact Analysis<sub>(continued)</sub>

The Business Impact Analysis is a process designed to:

- Identify alternate Work Areas.
- Establish emergency communications policies and procedures for staff and customers.
- Identify the critical suppliers that need to be contacted in the event of a disaster.
- Examines HR policies and procedures.
- Provide recommendations and cost options to provide a proper Business Continuity / Disaster Recovery Plan.

Highly detailed, exacting process that explores your business processes.

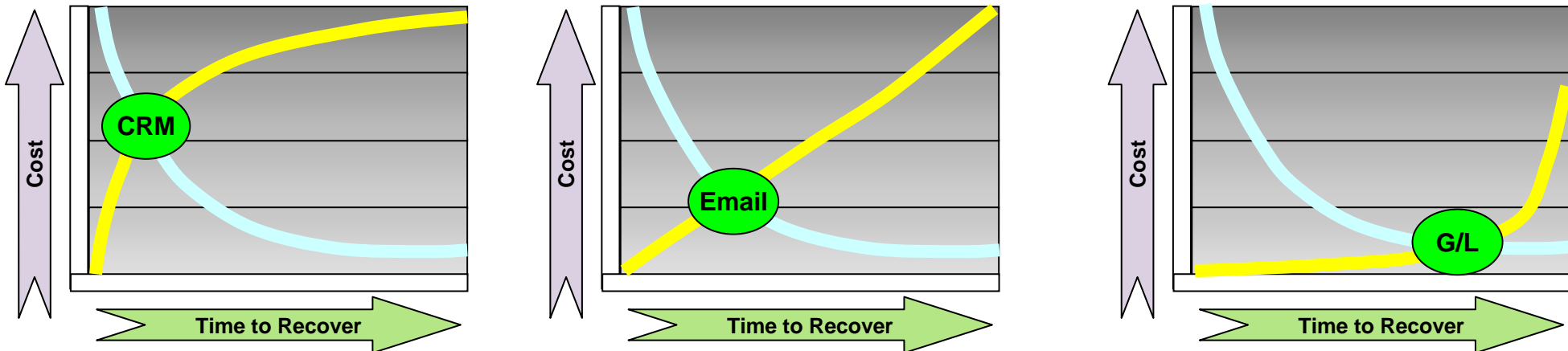
# Business Impact Analysis

*In BC/DR Planning - Not all Applications / Data are Equal*

The right solution is a trade-off between the cost of insuring business continuance and the cost of failure.

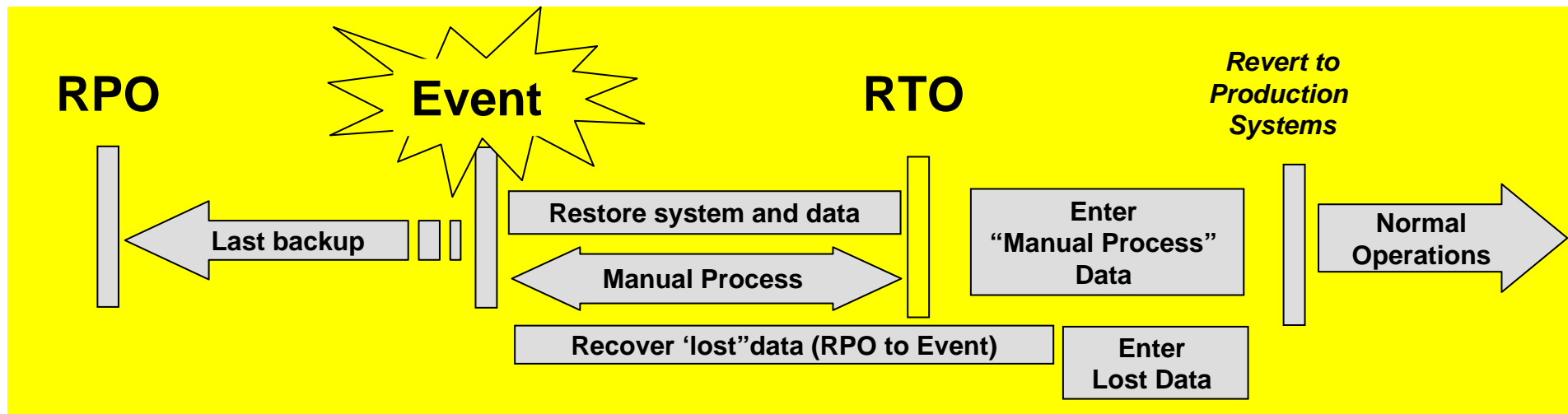
Level and Sophistication of Redundancy

Impact of Outage



# Business Impact Analysis

- **Recovery Point Objective (RPO)**
  - “Disaster Event” to last backup (lost data)
- **Recovery Time Objective (RTO)**
  - “Disaster Event” to recovered systems and data



# Plan Development / Implementation

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- **Implement the Disaster Recovery Infrastructure**
  - Hot site or warm site
  - Data Backup, Offsite vaulting
  - Data / Server Replication
  - Network connectivity
  - Work Area Recovery
  
- **The Disaster Recovery Manual**
  - Document Recovery Procedures
  - Communication Plan for stakeholders
    - executive, recovery teams, vendors,
    - media, employees, shareholders
  - Declaration Procedures
  - Etc.

# BC/DR Plan Testing

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- **The BC/DR Plan MUST be tested periodically**
  - Ensures the plan is up-to-date.
  - Ensures required systems are operational and meet current requirements.
  - Ensures key staff is trained.
- **Test Plan Structure:**
  - Pre-test checklist
    - Test objectives
    - Personnel Assignment
  - Test
  - Audit the results
  - Post-test review:
  - Implement action items

Testing PROVES the Plan Works and you are prepared.



# Technical Components for a BC/DR Plan

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## 1) Storage

- **“Off-the-shelf” services**
  - 3<sup>rd</sup> party off-site Enterprise Storage.
  - Data Centre to Data Centre Data Replication.
    - Keeps secure copies of your data in different geographic locations.
- **Customer SAN to Data Centre Data Replication**
- **Customer Premise Specific Storage Area Network (SAN) Solutions:**
  - Professional Services to assess, design and build.
  - SAN and NAS equipment located on Customer Premises.
- **Data back-ups can be set to meet particular RPO / budgetary objectives**

Ensures critical data is safe and quickly recoverable.

# Technical Components for a BC/DR Plan

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## 2) Work Area Recovery

- **Secure, off-site location**
- **Designed as a safe “retreat” for key personnel**
- **Includes:**
  - Standard Office Equipment
    - Desks / Chairs / Telephones / etc.
  - Computers, Printers, Fax
- **Network connectivity**
  - LAN & WAN as required
- **Strong physical security**

Allows key staff to resume their roles quickly and efficiently.

# Technical Components for a BC/DR Plan

## 3) Off-Site Hosting

- **Keeps critical applications / servers in a secure 3<sup>rd</sup>-party data centre**
  - Internal / External Web Sites
  - Back-Office Applications
  - Customer Databases
- **Data centre can provide customer with a range of services:**
  - *From:* Simple co-location
    - Serviced floor space, in a secure enclosure, 24/7 access.
    - Customer provides hardware / application / support.
  - *To:* A complete package
    - Hardware, software, and management services, in the data centre

Ensures critical business applications / processes are operational, regardless of the event.

# Technical Components for a BC/DR Plan

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## 4) Wide Area Network Connectivity

- **Secure, high speed WAN ensure businesses have access to their applications from anywhere.**
- **All work area recovery sites offer high-speed network access.**
- **Staff members can also access corporate networks from alternate work sites or home offices.**
- **Ensures staff has access to critical data and applications, regardless of the situation.**

The network ties everything together !

# Technical Components for a BC/DR Plan

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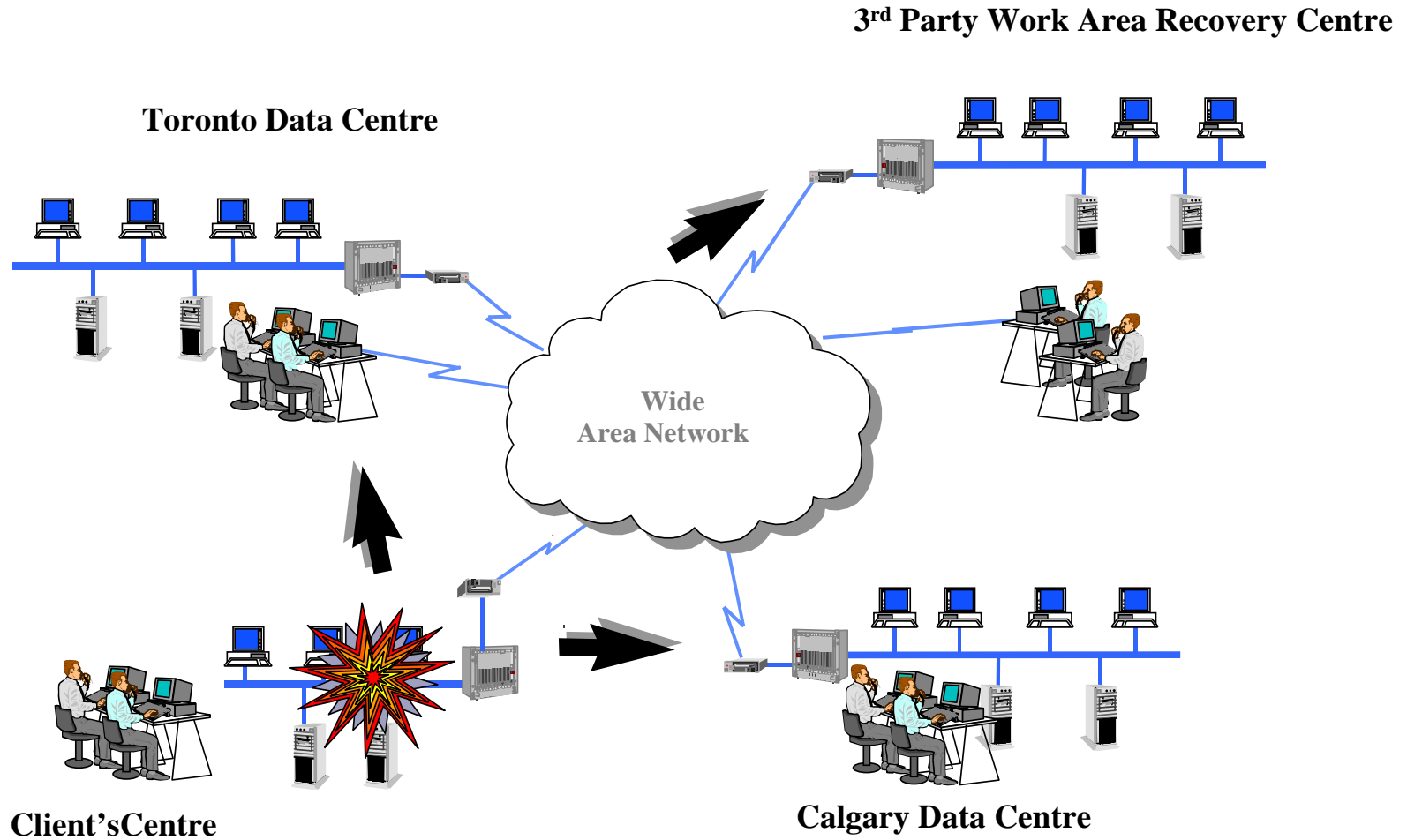
## 5) Voice Continuity

- **Technologies are available to quickly re-direct telephone calls to alternate phone numbers:**
  - Emergency call centres
  - Emergency voicemail
  - Mobile telephones
  - Voice Over IP

In the brokerage business, the “personal touch” reassures customers.

# Technical Components for a BC/DR Plan

## How it all comes together



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# BC/DR Planning – Build vs Buy ?

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- **Developing and implementing a compliant Business Continuity / Disaster Recovery Plan is a tough task.**
  - Business Impact Analysis
  - BC/DR Plan Development & Implementation
  - Periodic Testing
- **Corporate planners must have:**
  - Complete understanding of critical / non-critical systems
  - Impact of crisis on critical systems
  - Technical resources
  - Senior management support
  - Time

**However, brokerage firms want to be brokerage firms.**

# BC/DR Planning – Build vs Buy ?

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- Many brokerage firms would be happy to engage a recovery services provider.
- **BUT will demand;**
  - “End-To-End” Service
  - High level of security / performance
  - Value for the money
  - **One throat to choke**

# BC/DR Planning – Build vs Buy ?

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- Ideally the “perfect” BCP/DRP Vendor:
  - Understands ALL aspects of the business
  - Is national in scope
  - Provides a complete “End-To-End” suite of services
  - Has **PROVEN** technical reliability
  - A solid, demonstrable track record.

A lot to ask from one vendor !

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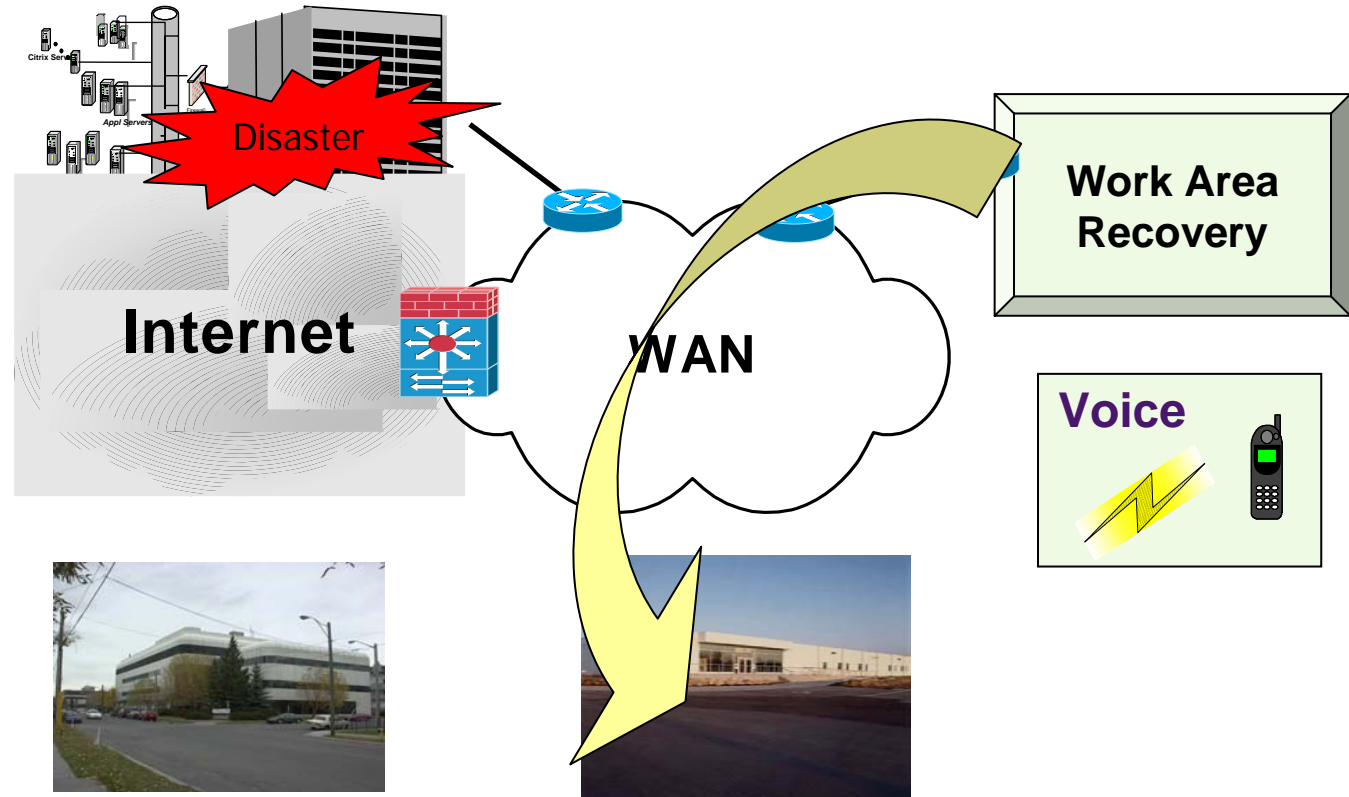


# How A 3<sup>rd</sup> Party Vendor Can Help

- **The perfect vendor *must* offer a complete range of products and services to ensure your company keeps operating – under any circumstances !**
  - Business Impact Analysis
  - BCP/DRP Consulting
  - Plan Testing
  - Work Area Recovery Sites
  - Network Services
  - System / Application Recovery
  - Storage
  - Hardware
    - Unix, Mainframe, AS/400, Intel,
- **The solution must be a unique, custom one, to meet your specific requirements.**

# Why TELUS / SunGard?

- Networks
- Data Centres
- Storage (SAN)
- Voice (IP One)
- Partners
- DR Experience



**No other solutions provider in Canada has the breadth and depth.**

# Business Continuity/Disaster Recovery Planning

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# BCP/DRP – SUMMARY & CONCLUSION

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## ‘The writing is on the wall’

- **IDA members will have to develop the business continuity plans and processes needed to protect their customers, their business and the industry.**
- **With careful planning and the right partners, a fully compliant Business Continuity Plan can be developed and implemented, with a minimum of expense and disruption to your business.**

Rest Easy !

# BCP/DRP – SUMMARY & CONCLUSION

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For further reference and details, please check the IDA website at: [www.ida.ca](http://www.ida.ca)

For further information on TELUS's Business Continuity / Disaster Recovery services, please contact:

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# BCP/DRP – SUMMARY & CONCLUSION

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Any  
Questions  
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the future is friendly



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