

# PRIVACY NOTICE



Kovack Securities, Inc. (KSI) and Kovack Advisors, Inc. (KAI) are committed to safeguarding the confidential information of our clients. Our policy with respect to your personal information is as follows:

**Information We Collect, and How We Gather Information:** The information we collect is used in conjunction with the regular processing of business. We collect information about you from several sources. For example:

- Information you provide to us on applications and other forms, such as your name, address, telephone number, date of birth, social security number, employment, assets, income, passport, driver's license or other identification numbers.
- Information provided by your transactions, such as when you trade in your account or wire funds.
- Information provided to us by our clearing firms, third-party service providers, mutual fund and insurance companies, our Registered Representatives, your former Broker/Dealer, and consumer reporting agencies about you, your account, and transactions in your account.
- Information about your account, including account type and account balances.

**Information We Share With Others:** KSI does not share your personal information for marketing, or joint marketing purposes. Should this change, we will notify you prior to sharing any information. When available, we will offer you the ability to limit sharing of your personal information. KSI shares your information as is necessary to conduct business for your account, as follows:

- With our employees and Registered Representatives as needed to open, maintain and service your account(s).
- With unaffiliated third parties, such as our clearing firms, product sponsors, and banks in order to carry out your instructions.
- With unaffiliated third party vendors in order to create and maintain records of your account, such as when we provide information about your account to third party vendors to create a statement.
- As required by law. For example, the firm may be required to respond to a subpoena, or a governmental or regulatory request.

**Can I Limit Sharing?** Federal law gives you the right to limit some forms of sharing:

- 1) Sharing for affiliates' everyday business purposes—information about your creditworthiness; and
- 2) Affiliates or non-affiliates from using your information to market to you. State laws and individual companies may give you additional rights to limit sharing. Check your state for more information on your rights under state law.

**Protecting the Confidentiality and Security of Your Information:** We have physical, electronic and procedural safeguards in place to protect the confidentiality of your personal information.

## DEFINITIONS

- **Affiliates:** Companies related by common ownership or control. Our affiliated companies include Kovack Securities, Inc. and Kovack Advisors, Inc.
- **Non-Affiliates:** Companies not related by common ownership or control. KSI and KAI do not share with non-affiliates for those companies to market to you.
- **Joint Marketing:** A formal agreement between non-affiliated financial companies that together market financial products or services to you.

**OTHER IMPORTANT INFORMATION:** Registered Representatives (RRs) may change brokerage and/or investment advisory firms, and the nonpublic personal information collected by us and your RR may be provided to the new firm so that your RR can continue servicing your account(s). If you do not want your RR to take or receive this information, please contact us at (800) 711-4078 or at [info@kovacksecurities.com](mailto:info@kovacksecurities.com) to opt out of this sharing.

**Questions?** Contact us at (800) 711-4078 or visit [www.kovacksecurities.com](http://www.kovacksecurities.com).



\* P N \*

## **OTHER IMPORTANT NOTICES FROM KOVACK SECURITIES, INC.**

- For more information about the Securities Investor Protection Corporation (SIPC), including how to obtain the SIPC brochure, please contact SIPC at (202) 371-8300 or visit their website at [www.sipc.org](http://www.sipc.org).
- For more information about FINRA BrokerCheck, please contact FINRA at (800) 289-9999 or visit their web site at [www.finra.org](http://www.finra.org).
- To help the government fight the funding of terrorism and money laundering, your name will be verified by searching the Treasury's Office of Foreign Asset Control's "Specially Designated Nationals and Blocked Persons" list.
- Under certain circumstances, KSI receives marketing reimbursements from some companies that we work with. Please visit us at [www.kovacksecurities.com](http://www.kovacksecurities.com), or contact us at (800) 711-4078 for more information.
- If your account becomes inactive for a certain period of time, your account balances may be transferred to a state unclaimed property administrator. The period of time is specified by state law.
- Complaints and concerns about your account or Registered Representative should be addressed to the Chief Compliance Officer at (800) 711-4078.

## **BUSINESS CONTINUITY PLAN**

KSI's Business Continuity Plan (BCP) was developed to meet the challenges of sudden and significant business disruptions. These challenges will vary, so the firm's responses will remain flexible as events occur.

**Contacting Us:** If, after a significant business disruption, you cannot contact us as you usually do by contacting your Registered Representative or home office at (800) 711-4078, please visit our web site at [www.kovacksecurities.com](http://www.kovacksecurities.com).

**Our Business Continuity Plan:** The firm's plan is designed to permit KSI to resume operations as quickly as possible, given the scope of the disruption. Our 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 firms, National Financial Services and Pershing LLC, back up important records in a geographically separate area. There are inherent variables in any emergency situation, yet we have been advised by our clearing firms that their objective is to restore their operations, complete existing transactions, and accept new transactions and payments as quickly as possible. 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 affecting only our firm, a single building housing our firm, the city where we are located, or the whole region. The disruption can vary from minimal to severe. In a disruption to our office or building, operations may be transferred to a local site; resumption of operations should occur quickly. In a disruption affecting our city or region, operations will be transferred to a site outside the affected area; resumption of operations should occur within twenty-four hours. In either situation, we plan to take the necessary steps to continue business operations; we will notify you through our web site at [www.kovacksecurities.com](http://www.kovacksecurities.com) on how to contact us. If the business disruption is so severe that we cannot remain in business, we assure your prompt access to your funds and securities.

**For More Information:** If you have questions about our business continuity planning, you can contact us at (800) 711-4078 or [info@kovacksecurities.com](mailto:info@kovacksecurities.com).