Business Continuity Plan

For

The Doohickeys R Us Manufacturing

NEDRIX Simulation Exercise

October 16-18, 2006

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Executive Summary

This is the plan for recovery of ***Doohickeys R Us Manufacturing's*** critical business. It is intended to be a reference guide for use in activating recovery procedures to ensure that business interruptions are as short as possible and is within a reasonable range of financial considerations.

The document is organized to provide recovery overview information in six chapters:

- ***Chapter 1 - Plan Overview.*** This information overview is intended to be used when responding to audit or customer type requests for information about the scope and objectives of ***Doohickeys R Us Manufacturing***'s Business Continuity Plan.
- ***Chapter 2 – Interruption Events***. In the event of an emergency, the person using this document should start with this chapter as it details the major types of events. It provides background information on the event useful in assessment and deciding on the next steps.
- ***Chapter 3 – Business Continuity Plan Phases***. This chapter is the primary guide through ***Doohickeys R Us Manufacturing***'s event assessment and plan activation process. As you proceed through the chapter you will be directed to other parts of the plan document for specific information that will be required to perform the recovery tasks included within the plan.
- ***Chapter 4 - Business Unit Recovery Information.*** This chapter provides an overview of the recovery plan information for each business unit within ***Doohickeys R Us Manufacturing***. It includes a description of the business unit's overall responsibilities and its critical functions with their assigned ratings. It also includes pointers to other information within this plan document as well as external information required to support recovery of the business unit.
- ***Chapter 5 - Recovery Site(s) Activation Procedures*** This chapter is intended to provide information about the recovery site(s) provided for each business function and how they are activated.
- ***Chapter 6 - Contact Lists.*** This chapter identifies the phone numbers and contact information for corporate emergency response teams as well as customers and vendors.

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Organizational Chart

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Chapter 1: Plan Overview

This document is the Business Continuity plan for the DRUM Corporation. It is a guide to be used when responding to events that interrupt or threaten to interrupt DRUM's ability to maintain business functions supported at the Headquarters location in New Hampshire.

The primary objective of this plan is to resume all critical services and functions as quickly and completely as possible, in order to:

1. Protect Doohickeys R Us Manufacturing's assets.
2. Minimize the impact of all interruptions.
3. Maximize the ability to provide normal or near normal delivery of products to customers during an interruption event.

It is every DRUM manager's responsibility to understand the plan, maintain the plan and ensure that each of their employees know their role in the plan. Please comply with the DRUM Information Security Policy in distributing the information contained in this document. Any questions regarding this policy should be directed to the DRUM Data Security Coordinator.

This plan provides for recovery from a localized interruption event affecting business functions at the Headquarters Building. Permanent relocation of the affected functions does not fall within the scope of this plan.

Business Continuity Strategy
When an event occurs at the North Conway, London or Tokyo offices that interrupts business functions, and the event is projected to last longer than 8 hours, designated mission critical functions will be relocated to the DRUM's alternate sites in Mystic, Hong Kong or Brussels, respectively.

Business Continuity Organization
DRUM's business continuity organization consists of an Executive Emergency Management Team (EEMT), three Operational Emergency Management Teams (OEMTs), and other teams supporting systems, facilities and business function relocation/recovery activities. The EMTs have overall responsibility for making decisions and providing direction relating to the assessment, relocation and recovery activities.

For detail information about the Emergency Management Teams refer to Chapter 6.

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Chapter 2: Interruption Events

Headquarters Building has been evacuated and is inaccessible

An event causing the evacuation of the building can occur either during normal processing hours or during off-hours when normal processing is suspended. The procedures below outline the steps to follow during normal processing hours and during off-hours.

Evacuation Wardens have been assigned to each business unit. When an evacuation directive has been issued follow the instructions from your business unit's Evacuation Warden.
{***Action: Designate your Evacuation Warden***.}

After evacuating the building, it is very important that:

1. All employees gather in a common location.
2. Someone take attendance.
3. Contact is established with the IRT or OEMT for instructions.
4. Employees remain at the gathering site to await further instructions.

Normal Processing Hours or Off Hours

Step	Who	Action
1	Everyone	Follows the instructions from the Evacuation Warden
2	Everyone	Proceeds to the first floor at the center of the office complex.
3	Everyone	Registers their presence with their respective Evacuation Warden and awaits further instructions
4	Evacuation Warden	Records names of people checking in and directs them to a waiting area.
5	OEMT	Proceeds to the collection site on first floor and establishes a command center with the Evacuation Wardens.

Shelter in Place

Shelter in Place is the temporary use of a building or vehicle for the purpose of providing temporary shelter from any release of hazardous materials into the outside atmosphere that could be harmful to health.

During an Emergency

You are most likely to hear about a Shelter in Place emergency by radio, television or warning sirens. When you learn of the emergency:

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Step	Who	Action
1	Everyone	**Immediately** leave your office and proceed to the room designated as a shelter for your building. If your staff members are absent, do not leave your office to go get them. Going outside could expose yourself to hazardous chemicals. Also, each floor has its own emergency shelter.
2	Facilities Manager	Shut down all HVAC systems.
3	Everyone	Shut off fans that draw in air from the outside.
4	Everyone	Shut and lock doors and windows. Locking makes a better seal. Cover any windows with plastic sheeting. Seal cracks around the door and windows with duct tape.
5	Everyone	Turn on a radio or television to a local station that broadcasts emergency information. Stay tuned until the "all clear" message is broadcast.
6	Everyone	Stay off the phone. It should be used for emergency calls only.

Be prepared to evacuate if ordered to do so by public safety officials. Evacuation instructions will be announced over the emergency broadcast system or by designated public officials broadcasting by other means.

After an Emergency

When you hear the "all clear" message over the emergency broadcast system, you should:

Step	Who	Action
1	Everyone	Open doors and windows.
2	Facilities Manager	Turn on your heating/cooling system to ventilate the building.
3	Everyone	Go outside and proceed to the first floor at the center of the office complex.
4	Everyone	Meet with your Evacuation Warden to determine any next

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		steps, if needed.

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Chapter 3: Business Continuity Plan Phases

Every business interruption begins with an event or threat of an event. The event could be triggered by a power outage, a fire or a natural event. The threat of an event could be an approaching hurricane or snowstorm or any planned activity, such as a planned power shutdown, that has a potential for interrupting critical function processing. Each of these events initiates the Business Continuity Process, which starts with the Initial Response Phase.

1. **Initial Response Phase**

   The Initial Response phase begins as soon as an Initial Response Team (IRT) member is informed of an interruption event that has occurred, or is about to occur. It ends when the **IRT:**

   A) Determines that the event does not pose a threat to critical functions, or
   B) Decides to notify the Operational Emergency Management Team (OEMT).

2. **Assessment Phase**

   The Assessment Phase begins as soon as the **OEMT** is notified of an event. It ends when the predetermined threshold of a disaster situation has been met or the Executive Emergency Management Teams (EEMT) agrees to declare a disaster and begin the Activation Phase.

3. **Emergency Declaration Phase**

   The Emergency Declaration Phase begins when the OEMT determines that the event will impact critical function processing and that it is necessary to activate emergency action plans. When the OEMT decides to Declare an Emergency, it must also establish the Level of the Emergency. There are three levels:

   Level 1: Maintain operations at primary site, alert teams, continue to monitor event impact and prepare for possible relocation.

   Level 2: Relocate Level 2 Critical functions to Alternate Site, continue other operations at primary site, continue to monitor event impact and prepare for possible Level 3 declaration.

   Level 3: Relocate all Critical functions to Alternate Site.

   During the Emergency Declaration Phase all parties involved in the emergency action plans are contacted and mobilized, and begin to activate the emergency procedures in their respective plans. The Emergency Declaration Phase is complete when the interruption event has either been terminated by the OEMT or all critical functions have been relocated to their

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Alternate Site.

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4. Recovery Site Preparation and Systems Restoration Phase

The Recovery Site Preparation Phase activities include:

a) All activities required to prepare the Alternate Site(s) for the mission critical functions that are being relocated from their primary site(s).
b) All activities required to restore all designated data processing systems, functions and facilities that are required to support mission critical business functions.

The phase begins when the Recovery Site Support Teams and Data Center Recovery Teams arrive at the recovery site and ends when:

a) All designated recovery site preparations have been completed
b) All designated critical systems have been restored, restarted and turned over to the business functions they support.

5. Relocation Phase

The Relocation Phase begins as soon as all recovery site preparations have been completed. It ends as soon as all mission critical business function teams have been transported and have arrived at the recovery site. Relocation Phase activities Include:

a) communicating and coordinating transportation arrangements for the critical business functions teams
b) meeting the teams as they arrive and directing them to the designated recovery work spaces

6. Business Functions Startup Phase

The Business Functions Startup Phase begins when critical systems have been recovered and there are enough critical business function team employees at the recovery site(s) to begin the highest priority operations. It ends when the recovery site(s) are adequately staffed to support the all mission critical business functions. Activities include:

a) validation of restored systems' functionality and data integrity
b) evaluation of data recovery point and determining any data loss
c) controlled restart of business function operations

7. Remain at the Recovery Site(s) Phase

In the event that a multiple-day stay at the recovery site(s) is required, there are actions that must be taken due to this extended stay. This phase begins at the beginning of the second day of operations at the recovery site(s). It ends as soon as the **OEMT** declares that the primary site is ready to be reoccupied and the decision to return to the primary site has been made.

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8. <u>Return to Primary Site Phase</u>

This phase begins when the **OEMT** makes the decision to return to the primary site. It ends as soon as full operations have been re-established at the primary site.

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Chapter 4: Departmental Recovery Information

Order Processing

Functional Overview

The Order Processing Center is responsible for receiving and processing Customer orders. Order processing for all customers is centralized in the Headquarters. Incoming orders are received via phone, fax or the online orders submission system. Normal operation hours for the order processing center are from Monday through Friday 7:00 a.m. to 6:00 p.m (US Eastern Standard Time). All orders received are batched and input to the scheduling system three times a day.

Critical Functions & Recovery Time Objective (RTO) Ratings

The critical functions that are required are listed below:

- **Customer Order Processing (RTO 8 hours)**
    - Receive customer order via phone and enter them in to the order processing system.
    - Review incoming transactions from the online orders submission system and approve for processing.
    - Receive fax Transmissions for customer orders and input the into the order processing system.
- **Manufacturing and Shipping Systems Interface (RTO 8 hours)**
    - Batch, verify and proof customer orders, totals, etc. and approve interface transmissions to the Manufacturing and Shipping Distribution Systems three times each day (11:00 AM, 2:00PM and 5:00PM US Eastern Standard Time)

Relocation Statement & Strategy

At the time of a disastrous event impacting the Headquarters office

- All Customer order processing functions and systems will be relocated and recovered at the Alternate Site alternate site within 8 hours of a Level 2/3 Emergency Declaration.
- If customer orders can not be received and processed on time, the manufacturing plants and the shipping & distribution centers will continue to operate with schedules developed with input prior to the interruption. The inability to input new orders will

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result an inability to transmit new daily schedules. This in turn will result in a 20% loss in business each day, due to the inability to receive orders to produce and ship goods to the customers on time.

Global Plant Scheduling

Functional Overview

The Global Plant Scheduling Department is responsible for coordinating the procurement of raw materials from vendors and the scheduling of manufacturing resources to meet customer orders received.

Critical Functions & Recovery Time Objective (RTO) Ratings

The critical functions that are required are listed below:

- **Raw Materials Tracking (RTO 8 hours)**
    - Track raw materials inventories at each site
    - Monitor delivery schedules for raw materials at each site
    - Maintain levels of raw materials at each site to support manufacturing schedules
- **Manufacturing Plants Scheduling (RTO 8 hours)**
    - Schedule production of goods to meet Customer orders within each geographic region. Customer SLAs require delivery within five days of receipt of order. Daily schedules are transmitted to the plants in each region once a day to coincide with each regions 1st shift work production.
    - Schedule plant equipment maintenance, one week each month, in a manner that does not disrupt production schedules.
    - Monitor equipment outages and redirect manufacturing to other regional plants when necessary to maintain delivery schedules.
    - Conduct Daily Conference Calls with each region to review manufacturing schedules and any issues etc. that could impact them.

Relocation Statement & Strategy

At the time of a disastrous event impacting the Headquarters office

- All Global plant scheduling functions and systems will be relocated and recovered at the Alternate Site alternate site within 8 hours of a Level 2/3 Emergency Declaration.

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- If Scheduling transmissions are delayed or interrupted, plants will continue to operate with schedules from the last transmission. The inability to transmit a new daily schedule will result in a 20% loss in business each day, due to the inability to produce goods for delivery on time.

Global Shipping & Distribution

Functional Overview

The Global Shipping & Distribution is responsible for coordinating the delivery of manufactured goods to customers within five days of receipt of orders. Each plant has its own shipping and distribution facility. Shipping is coordinated by region.

Critical Functions & Recovery Time Objective (RTO) Ratings

The critical functions that are required are listed below:

- **Product Inventories Management (RTO 8 hours)**
  - Maintain accurate listings of products produced and ready for delivery.
  - Monitor product inventories levels required to meet customer orders.
- **Shipping & Distribution Management (RTO 8 hours)**
  - Schedule shipment of products to meet Customer orders within each geographic region. Customer SLAs require delivery within five days of receipt of order. Daily schedules are transmitted to the plants in each region once a day to coincide with each regions 1st shift work production.
  - Conduct Daily Conference Calls with each region to review inventories, shipping schedules and any issues etc. that could impact the ability to ship product to the customers on time.

Relocation Statement & Strategy

At the time of a disastrous event impacting the Headquarters office

- All Global Shipping & Distribution functions and systems will be relocated and recovered at the Alternate Site alternate site within 8 hours of a Level 2/3 Emergency Declaration.

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- If Scheduling transmissions are delayed or interrupted, shipping & distribution centers will continue to operate with schedules from the last transmission. The inability to transmit a new daily schedule will result in a 20% loss in business each day, due to the inability to produce goods for delivery on time.

Management and Administration

Functional Overview

The Management and Administration is responsible for public- and customer-facing relations, and legal, fiscal and regulatory compliance.

Critical Functions & Recovery Time Objective (RTO) Ratings

The critical functions that are required are listed below:

- *Executive Management (RTO = 2 hours)*
- *Administrative Support (RTO = 4 hours)*
- *Public Relations (RTO = 2 hours)*

Relocation Statement & Strategy

At the time of a disastrous event impacting the Headquarters office

- Senior management and administrative personnel will perform their functions in temporary space that will be provided at the alternate site or another regional office.

Finance and Support Department

Functional Overview

The Finance and Support department is responsible for corporate functions including human resources, accounts payable/receivable, facilities and security.

Critical Functions & Recovery Time Objective (RTO) Ratings

The critical functions that are required are listed below:

- *Security (RTO = 30 minutes)*
- *Facilities Management (RTO = 1 hour)*
- *Payroll (RTO = 24 hours)*

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- Pay staff and contractors on a timely basis: on the 15th and end of month.

- *Benefits Administration (RTO = 24 hours)*
- *Accounts Payable/Receivable (RTO = 72 hours)*

Relocation Statement & Strategy

At the time of a disastrous event impacting the Headquarters office

- Human Resources personnel will perform their functions from leased space.

Information Services

Functional Overview

The Information Services department is responsible for Data Center Operations and Tech Support. Provides systems management and data processing support for mission critical applications and business functions. Three state-of-the-art servers and four vendor products were rushed into production to keep pace with expanding transaction demand.

Critical Functions & Recovery Time Objective (RTO) Ratings

The critical functions that are required are listed below:

- *Order Processing System (RTO = 2 hours)*
  - Daily transaction processing from customer orders
- *Management System (RTO = 8 hours)*
- *Systems Administration (RTO=1 hour)*
- *Application & Database Support (RTO = 2 hours)*
- *Network Management (RTO = 2 hours)*
- *Technical Support/Help Desk (RTO = 2 hours)*

Relocation Statement & Strategy

At the time of a disastrous event impacting the Headquarters office

- Data Center personnel will perform their functions at the alternate site.

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Chapter 5: Recovery Site Activation Procedures

If an event occurs that renders the DRUM Headquarter building inoperative and the outage is expected to impact critical function processing, two rooms on the 2nd floor of DRUM's Mystic, CT office will be used to support relocating critical functions as determined by the OEMT. In addition to the training room, space and equipment have been allocated in the computer room for mission critical data processing functions and systems.

Prior to activating the alternate site, a designated member of the OEMT must contact the alternate site manager to formally declare a disaster. Once the manager receives the notification, he/she can alert the alternate site teams to begin preparing the site for the relocating critical functions.

Declaration Procedures

STEP	WHO	ACTION
1	OEMT	Determines that the outage projection is long enough to warrant a disaster declaration into the alternate site
2	OEMT	Notify Alternate Site Manager that a disaster has been declared and to begin prepping the site for relocating functions.
3	Alternate Site Manager	Go To **Chapter 3, Phase 3**

Alternate Site Overview

In the event a disaster is declared, and critical functions have to be relocated, DRUM would use its training facility at 777 Wampum Way, Mystic, CT to support relocating functions. The two rooms provide a total of 30 workspaces.

There are approximately 30 Call Master II telephone units stored in cabinets in the training room. After they are installed they will be connected to the Alternate PBX and able to receive incoming customer services phone calls.

There are 30 desktop PCs configured with software and network connections available for use in the two rooms. The PCs are set up with images based on the standard DRUM image.

You are provided:

1. Directions to the alternate site
2. An equipment inventory
3. A floor plan for each room
4. Workspace details identifying PC and phone equipment at each workspace

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5. Voice Communications Recovery details: 1-800 traffic re-routing
6. User Logon Information
7. Recovery Site Activation Teams.

Chapter 6: Contact Information

CONFERENCE BRIDGES

DRUM has conference calling bridge always available to convene EMT or OEMT meetings quickly.

CONTINGENCY INFORMATION LINE

The DRUM contingency planning team has established a Contingency Information Phone number to be used for communicating emergency management decisions and progress to all personnel during an interruption event. The OEMT Administrative Assistant will record an updated message at each Milestone event and at intervals to be established by the OEMT.

Executive Emergency Management Team (EEMT)

The **EEMT**, upon notification by the Operational Emergency Management Team (OEMT) that an emergency situation has occurred, may assume overview responsibility for management of the event and may be the final decision point for any issues that may arise. They are not directly involved in the detail operations, however they will be kept informed about the event and their input may be sought on major decisions effecting the direction of business operations (suspend operations, authorize declaration). Initial notification and periodic updates will be by phone and, if the situation warrants, the EEMT will meet by conference call.

EEMT Member	Areas/Functions Represented
I. Doohickey	CEO
B. Tacks	CFO
M. NG Linc	VP of Operations
C. Jones	VP of Information Services
D. Crane, Esq	VP of Legal

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Initial Response Team (IRT)
The primary function of the **IRT** is to provide immediate on-site management and coordination of emergency situations that may threaten the life and safety of employees, as well as critical business functions of the company. They evaluate the severity of an event, take immediate actions to control and mitigate the effects of the event, and escalate the decision-making process to the OEMT. The IRT becomes part of the OEMT once the Assessment Phase has been initiated.

Primary	Areas/Functions Represented
R. Tape	Data Center Manager
H. Land-Security,	Facilities & Security Manager
S. White	VP Global Human Resources

Operational Emergency Management Team (OEMT)
The **OEMT's** role is to assess the event, recommend action to the EEMT, communicate with and direct all activities of their respective Functional Unit Teams. They will direct the resolution of problems related to providing a level of support that is needed to effectively respond to the incident. Representatives of this team will provide the first level of management and/or decision-making concerning potential impacts.

Primary	Areas/Functions Represented
M. Ng Linc	Operations Manager
B. Tacks	Finance and Support Manager
R. Tape	Data Center Manager
H. Land-Security	Facilities & Security Manager
S. White	Human Resources Rep
P. Buster	Global Communications/PR
D. Crane, Esq	Legal
M. Money	Accts Payable/Receivable Mgr
H. Wait	Customer Service Manager
S. O'Hara	Administrative Assistant

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Business Unit Recovery Teams

Business Resumption Contact Information for the Functional Unit Contacts may be found directly within this chapter or in another location referenced or linked from this document.

Manufacturing Operations Team

Name	*Function*
J Time	Global Plant Scheduling Mgr
M. T. Doohickey	Production
V. I. Zon	Order Processing
F. X. Brown	Global Shipping/Distribution Manager

Information Services Recovery Team

Name	*Function*
T. Blue	IS Manager
J. Geek	Tech Support Manager
S. Khan	NT Systems Manager
R. Stable	Unix Systems Manager
W. Ired	Network Manager
B. Fyfe	Data Communications Manager
B. Rubble	Database Manager

Alternate Site Recovery Team (local staff)

Name	*Function*
S. Glad	Recovery Team Leader
H. Land-Security	Security and Facilities Mgr
A. Nurd	Tech Support Mgr
I. Oh	Desktop Support Tech

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M. Frame	Data Center Support Tech
A.G. Bell	Telecommunications PBX Support Tech.

Human Resources Team

Name	*Function*
S. White	HR Manager
W. Simms	HR Employee Support
S. Black	HR Payroll Support
Scarlett O'Hara	Admin Support

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