

August 29, 2014

*Via Federal Express*

**Attorney General Joseph Foster  
New Hampshire State Attorney General's Office  
33 Capitol Street  
Concord, NH 03301**

**Re: LPL Financial LLC  
Notification of Security Breach under N.H. Rev. Stat. § 359-C:21**

Dear Attorney General Foster:

We write to advise you of an incident involving potentially unauthorized access to personal information of 3 New Hampshire residents who are LPL Financial clients. We have learned that some unnecessary personal information relating to some LPL Financial customers was provided to a regulatory entity with jurisdiction over LPL. LPL performed an investigation of the incident. Through this investigation, which concluded on July 16, 2014, LPL determined that information relating to certain clients' account(s) was mistakenly sent to that securities regulator. The personal information involved may include clients' names, account number(s), and account balance(s).

**Learning About the Incident.** When LPL Financial first learned of this incident, LPL took the following actions: (1) determined what information had been compromised; (2) investigated the situation; and (3) notified and offered solutions to the affected individuals.

**Investigating the Disclosure.** We conducted an internal investigation and identified those clients whose personal information may have been accessed; and, though we have no evidence of any fraudulent activity, we used the information gathered during our research to generate a customer notification mailing list.

**Communicating with Affected Individuals.** In order to ensure that affected individuals could take immediate steps to protect themselves from possible identity theft or other monetary damage, LPL Financial moved quickly to inform them of the incident. LPL Financial retained Experian, a leading global provider of consumer and corporate identity risk management services. In tandem, LPL Financial prepared guidance for call center representatives and drafted a communication to affected individuals. The communication will be sent by first-class mail in September 2, 2014. The notification materials, attached to this letter as Exhibit A, advise the affected individuals to remain vigilant by reviewing account statements and utilizing the credit monitoring and identity theft protection service that Experian offers.

**Services to Affected Individuals.** LPL Financial will offer Experian's ProtectMyID™ Elite and Family Secure credit monitoring and identity theft protection service. Experian provides essential monitoring and protection of not only credit data, but also monitors online forums and alerts the client if his or her Social Security number, credit cards, and bank account numbers are found in unsecure online locations.



Experian's products features include:

- **Credit Report:** A free copy of the client's Experian credit report
- **Surveillance Alerts**
  - **Credit:** Alerts the client of suspicious activity including new inquiries, newly opened accounts, delinquencies, or medical collections.
  - **Internet Scan:** Alerts the client if their Social Security Number or Credit and/or Debit Card numbers are found on sites where compromised data is found, traded or sold.
  - **Change of Address:** Alerts the client of any changes in your mailing address.
- **Identity Theft Resolution:** If the client has been a victim of identity theft, he or she will be assigned a dedicated, U.S.-based Experian Identity Theft Resolution Agent who will walk the client through the fraud resolution process, from start to finish.
- **ExtendCARE:** Full access to the same personalized assistance from a highly-trained Fraud Resolution Agent even after their initial ProtectMyID membership expires.
- **Lost Wallet Protection:** If the client ever misplaces or has their wallet stolen, an agent will help him or her cancel their credit, debit and medical insurance cards.
- **\$1 Million Identity Theft Insurance\***: As a ProtectMyID member, the client is immediately covered by a \$1 Million insurance policy that can help the client cover certain costs including, lost wages, private investigator fees, and unauthorized electronic fund transfers.

We believe the services offered to our clients will help them immediately respond to any threats of identity theft or other misuse of their data as a result of this isolated incident.

We trust that this letter and its enclosures provide you with all the information required to assess this incident and our response. Please let us know if you have additional questions or if we can be of further assistance.

Sincerely,

Patrick E. Cox  
SVP, Chief Privacy Officer  
Governance, Risk & Compliance  
LPL Financial

Enclosures

cc: Greg Woods

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\* Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of Chartis, Inc. The description herein is a summary and intended for informational purposes only and does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

August 29, 2014

[REDACTED]

Dear [REDACTED],

As you are a valued client of [REDACTED] and LPL Financial LLC, guarding your privacy is a top priority for our firm. We have learned that some unnecessary personal information relating to some LPL Financial customers was provided to a regulatory entity with jurisdiction over LPL. LPL performed an investigation of the incident. Through this investigation, which concluded on July 16, 2014, LPL determined that information relating to your account(s) was mistakenly sent to that securities regulator. The personal information involved may include your name, account number(s), and account balance(s).

We maintain a strong commitment to protecting your information and aim to communicate openly should it ever be compromised. While we have no evidence that the information has been misused, we wanted to make you aware of the incident and the steps we are taking to help safeguard your personal information.

**COMPLIMENTARY SERVICE OFFER:** At our expense, LPL Financial would like to offer you a free one year subscription to Experian's ProtectMyID™ Elite, a credit monitoring and identity theft protection service. This product helps detect possible misuse of your personal information and provides you with superior identity protection services focused on immediate identification and resolution of identity theft.

**Activate ProtectMyID Now in Three Easy Steps**

1. ENSURE That You Enroll By: [October 31, 2014]
2. VISIT the ProtectMyID Web Site: [www.protectmyid.com/enroll](http://www.protectmyid.com/enroll) or call 877-441-6943 to enroll
3. PROVIDE Your Activation Code: [REDACTED]
4. PROVIDE Your Engagement Number: [REDACTED]

Once your ProtectMyID membership is activated, your credit report will be monitored daily for 50 leading indicators of identity theft. You'll receive timely Surveillance Alerts™ from ProtectMyID on any key changes in your credit report, a change of address, or if an Internet Scan detects that your information may have been found in an online forum where compromised credentials are traded or sold.

ProtectMyID provides you with powerful identity protection that will help detect, protect and resolve potential identity theft. In the case that identity theft is detected, ProtectMyID will assign a dedicated U.S.-based Identity Theft Resolution Agent who will walk you through the process of fraud resolution from start to finish for seamless service.

**Your complimentary 12-month ProtectMyID membership includes:**

- **Credit Report:** A free copy of your Experian credit report
- **Surveillance Alerts**
  - **Credit:** Alerts you of suspicious activity including new inquiries, newly opened accounts, delinquencies, or medical collections.
  - **Internet Scan:** Alerts you if your Social Security Number or Credit and/or Debit Card numbers are found on sites where compromised data is found, traded or sold.
  - **Change of Address:** Alerts you of any changes in your mailing address.



- **Identity Theft Resolution:** If you have been a victim of identity theft, you will be assigned a dedicated, U.S.-based Experian Identity Theft Resolution Agent who will walk you through the fraud resolution process, from start to finish.
- **ExtendCARE:** Full access to the same personalized assistance from a highly-trained Fraud Resolution Agent even after your initial ProtectMyID membership expires.
- **Lost Wallet Protection:** If you ever misplace or have your wallet stolen, an agent will help you cancel your credit, debit and medical insurance cards.
- **\$1 Million Identity Theft Insurance :** As a ProtectMyID member, you are immediately covered by a \$1 Million insurance policy that can help you cover certain costs including, lost wages, private investigator fees, and unauthorized electronic fund transfers.

**Activate your membership today at [www.protectmyid.com/enroll](http://www.protectmyid.com/enroll)  
or call 877-441-6943 to register with the activation code above.**

Once your enrollment in ProtectMyID is complete, you should carefully review your credit report for inaccurate or suspicious items. If you have any questions about ProtectMyID, need help understanding something on your credit report or suspect that an item on your credit report may be fraudulent, please contact Experian's customer care team at 877-441-6943.

In addition to Experian's ProtectMyID™ Elite service, we advise you to remain vigilant by reviewing your account statements and monitoring your credit reports regularly. You may obtain a copy of your credit report, free of charge, whether or not you suspect any unauthorized activity on your account, by contacting one or more of the following national consumer reporting agencies:

**Equifax Credit  
Information Services, Inc.**  
P.O. Box 105788  
Atlanta, GA 30348  
(888) 766-0008  
[www.equifax.com](http://www.equifax.com)

**Experian**  
P.O. Box 9554  
Allen, TX 75013  
(888) 397-3742  
[www.experian.com](http://www.experian.com)

**TransUnion Fraud  
Victim Assistance Department**  
P.O. Box 6790  
Fullerton, CA 92834  
(800) 680-7289  
[www.transunion.com](http://www.transunion.com)

You may also obtain information about steps you can take to avoid identity theft from the following:

**For all US Residents:  
Federal Trade Commission**  
Consumer Response Center  
600 Pennsylvania Avenue, NW  
Washington, DC 20580  
(877) FTC-HELP or (877) 382-4357  
<http://www.ftc.gov>

**For Maryland Residents:  
Maryland Office of the Attorney General**  
200 St. Paul Place  
Baltimore, MD 21202  
(888)-743-0023  
<http://www.oag.state.md.us/Index.htm>

**For North Carolina Residents:  
NC Attorney General's Office  
Consumer Protection Division**  
9001 Mail Service Center  
Raleigh, NC 27699-9001  
(919) 716-6000  
<http://www.ncdoj.gov/>

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\* Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of Chartis, Inc. The description herein is a summary and intended for informational purposes only and does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.



You have the right to file a police report regarding this breach in the county in which you reside. You also have the right to place a security freeze on your credit report. By filing and obtaining a copy of police report, you will be able to avoid the fee associated with obtaining a security freeze. You may obtain a security freeze on your credit report by sending a request in writing to all credit reporting agencies. A security freeze will prohibit the credit reporting agency from releasing your credit report or any information without your express consent and is intended to prevent credit, loans and services from being approved in your name without your consent. A security freeze may, however, delay your ability to obtain credit. To place a freeze, you must write each of the following three credit reporting agencies:

- Equifax Security Freeze, P.O. Box 105788, Atlanta, Georgia 30348
- Experian Security Freeze, P.O. Box 9554, Allen, TX 75013
- TransUnion Security Freeze, P.O. Box 6790, Fullerton, CA 92834-6760

The following information must be provided when requesting a security freeze:

- Full name (including middle initial and suffix), address, Social Security number, and date of birth
- All addresses where you have lived during the past five years
- A copy of your driver license or other government-issued identification card
- A copy of a utility bill or bank or insurance statement that displays your name, current mailing address, and date of issue
- Police report, investigative report, or complaint to a law enforcement agency concerning the identity theft; or, if unavailable, a fee may be incurred for each placement, temporary lift, or removal of a security freeze

We apologize for any inconvenience or concern this situation may cause. We at LPL Financial believe it is important for you to be fully informed of any potential risk resulting from this incident. Again, we want to reassure you that we have no evidence that your personal information has been misused. Maintaining the privacy of your information is a key priority for LPL Financial, and we will continue to take the needed steps to protect your information.

If you have any further questions regarding this incident, please call either your LPL Financial advisor directly or the LPL Financial client line at (800) 877-7210 x6835, between 6:00 a.m. and 4:00 p.m. PT.

Sincerely,

Patrick E. Cox  
SVP, Chief Privacy Officer  
Governance, Risk & Compliance  
LPL Financial