

SIDLEY

SIDLEY AUSTIN LLP
1501 K STREET, N.W.
WASHINGTON, D.C. 20005
+1 202 736 8000

+1 202 736 8010
EMCNICHOLAS@SIDLEY.COM

AMERICA • ASIA PACIFIC • EUROPE

October 24, 2017

The Honorable Joseph Foster
Attorney General of New Hampshire
New Hampshire Department of Justice
33 Capitol St.
Concord, NH 03301

Dear Attorney General Foster:

We write on behalf of our client, Advisory Research, Inc. ("Advisory Research"), to inform you of a data security incident involving the account information of certain Advisory Research clients, including approximately 2 New Hampshire residents.

On October 11, 2017, Advisory Research became aware that a single spreadsheet containing certain account information for a limited number of clients was accessible in the structural architecture of its website. Advisory Research immediately removed the account information and examined affected accounts. The accessible account information included client name, custodian name, the client's custodian account number, as well as the adviser's read-only access credentials.

At this time, Advisory Research is not aware of any misuse of account information by unauthorized third parties. Nevertheless, we are providing this notice out of an abundance of caution because potential access to the account information cannot be definitively ruled out.

Advisory Research has taken steps to secure the affected account information. Furthermore, Advisory Research's control procedures require reconciliation of all Advisory Research managed accounts on a daily, monthly or quarterly basis. Through this process, Advisory Research has not identified any unusual activity.

We estimate that approximately 414 individuals were affected by this incident and will be providing notice, including to approximately 2 New Hampshire residents, beginning today. The form of notice is attached hereto. As a precaution, Advisory Research is offering each affected individual two years of Experian Identity Restore and Experian IdentityWorks credit monitoring services.

If you have any questions, please do not hesitate to contact me.

Respectfully submitted,



Edward R. McNicholas

RECEIVED
OCT 25 2017
CONSUMER PROTECTION

October 24, 2017

Dear Advisory Research Current or Former Client,

We are writing to share important information with you about a security incident regarding your current or prior Advisory Research account information, steps we have taken in response to the incident and recommended actions you may wish to take.

What Happened?

On October 11, 2017, Advisory Research became aware that certain account information for a limited number of clients was accessible in the structural architecture of our website. We immediately removed the account information and examined these accounts. Unfortunately, your account was one of the affected accounts.

At this time, Advisory Research is not aware of any misuse of account information by unauthorized third parties. Nevertheless, we are providing this notice to you out of an abundance of caution because potential access to the account information cannot be definitively ruled out.

What Information Was Involved?

The accessible account information included client name, custodian, and custodian account number. In a limited number of cases, Advisory Research historical access credentials to custodians were included. Advisory Research systematically resets its access credentials and, as you know, does not have custody of your assets.

What We Are Doing.

We have removed the information from the structural architecture of our website, and have taken steps to further secure your information and ensure that such information is not accessible in the future. Furthermore, our control procedures require reconciliation of all Advisory Research managed accounts on a daily, monthly or quarterly basis. Through this process we have not identified any unusual activity.

We believe that exposure of this information should not result in identity theft. Nevertheless, as a precaution, we are providing you with a complimentary two years of identity protection and credit monitoring services through Experian's® IdentiWorks® and Experian Identity Restoration. These products help detect possible misuse of personal information and provides identity protection support focused on immediate identification and resolution of identity theft.

What You Can Do.

We encourage you to regularly review your Advisory Research statements, your custodial statements, and any other financial accounts and credit reports, and report any suspicious or unrecognized activity immediately. As discussed above, our control procedures require

reconciliations of all Advisory Research accounts, however, you should remember to be vigilant and report any suspected incidents of fraud to us or the relevant financial institution.

Never confirm or provide personal information such as passwords or account information to anyone contacting you. Advisory Research will never send you any unsolicited emails asking for your account number, password, or other private information. You may choose to notify your custodian regarding the data incident or to change your account number.

If you believe there was fraudulent use of your information and would like to discuss how you may be able to resolve those issues, please reach out to an Experian agent. If, after discussing your situation with an agent, it is determined that identity restoration support is needed, then an Experian Identity Restoration agent is available to work with you to investigate and resolve each incident of fraud that occurred (including, as appropriate, helping you with contacting credit grantors to dispute charges and close accounts; assisting you in placing a freeze on your credit file with the three major credit bureaus; and assisting you with contacting government agencies to help restore your identity to its proper condition). The Terms and Conditions for this offer are located at www.ExperianIDWorks.com/restoration. You will also find self-help tips and information about identity protection at this site. Please note that this offer is available to you for two years from the date of this letter and does not require any action on your part at this time.

While Identity Restoration assistance is immediately available to you, we also encourage you to activate the fraud detection tools available through Experian IdentityWorksSM as a complimentary two-year membership. This product provides you with identity detection and resolution of identity theft. To start monitoring your personal information please follow the steps below:

- Ensure that you **enroll by: January 31, 2018** (Your code will not work after this date.)
- **Visit** the Experian IdentityWorks website to enroll:
<https://www.experianidworks.com/3bcredit2>
- Provide your **activation code**:

If you have questions about the product, need assistance with identity restoration or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at 877-890-9332 by **January 31, 2018**. Be prepared to provide engagement number **DB03918** as proof of eligibility for the identity restoration services by Experian.

You can contact Experian **immediately** regarding any fraud issues, and have access to the following features once you enroll in Experian IdentityWorks:

- **Experian credit report at signup:** See what information is associated with your credit file. Daily credit reports are available for online members only.*
- **Credit Monitoring:** Actively monitors Experian, Equifax and Transunion files for indicators of fraud.
- **Identity Restoration:** Identity Restoration specialists are immediately available to help you address credit and non-credit related fraud.

Please refer to www.ExperianIDWorks.com/restoration for further information.

Other Important Information.

We also have included an attachment listing additional steps you may wish to consider taking at any time if you ever suspect that you may have been the victim of identity theft. We offer this out of an abundance of caution so that you have information that may be helpful to you.

For More Information.

We take the security of your information very seriously. We truly regret any inconvenience this incident may cause you. If you have any questions and concerns, please do not hesitate to call us at 312-233-8999 or 877-371-5212.

Thank you for your patience and understanding.

Sincerely,

A handwritten signature in cursive script that reads "Susan L. Steiner".

Susan L. Steiner
Chief Compliance Officer

Attachment: Important Identity Theft Information: Additional Steps You Can Take to Protect Your Identity