

RECEIVED

AUG 28 2017

CONSUMER PROTECTION

August 22, 2017

Joseph Foster
Office of the Attorney General
33 Capitol Street
Concord, NH 03301

Re: LPL Financial LLC
Notification of Potential Unauthorized use of Personal Information

Dear Attorney General Foster:

We are writing to notify you of an unauthorized access or use of personal information involving ten New Hampshire residents.

Nature of the Incident. On June 8, 2017, we were notified that our Branch Office hired an employee without informing LPL Financial. The unauthorized employee had access to LPL Financial investor information, which may have included investors' first and last names in combination with Social Security numbers and LPL Financial account numbers. We have no indication that the unauthorized employee misused or disclosed any LPL Financial investor information, but out of an abundance of caution, we mailed notification letters to investors whose information may have been exposed to unauthorized acquisition.

Learning About the Incident. LPL Financial first learned of this incident on June 8, 2017 and took the following actions: (1) conducted an internal investigation; (2) determined what information had been accessed; (3) determined the scope of the incident; (4) 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 Individual. In order to ensure that affected individual 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 individual. LPL Financial mailed written notification to the impacted New Hampshire residents on August 14, 2017. A sample notification letter is attached to this letter as Exhibit A.

Services Offered. LPL Financial has provided impacted individuals with activation codes for a one-year subscription to Experian's IdentityWorksSM Credit 3B, a credit monitoring and identity theft protection product.

Experian's IdentityWorksSM Credit 3B features include:

- Fraud detection services available through Experian IdentityWorksSM, which provide tools for detection and resolution of identity theft.
- **Experian credit report is available upon activation.** Daily credit reports are available for online members only. Offline members are eligible to call for additional reports quarterly after enrolling.¹
- **Credit Monitoring:** Active monitoring of Experian, Equifax and Transunion files for indicators of fraud.
- **Identity Restoration:** Access to Identity Restoration specialists to assist data subject address credit and non-credit related fraud.
- **Experian IdentityWorks ExtendCARETM:** Data subjects receive Identity Restoration support even after their IdentityWorksSM membership has expired.
- **\$1 Million Identity Theft Insurance:** Provides coverage for certain costs and unauthorized electronic fund transfers.²

We believe these services will allow the impacted individuals to immediately respond to threats of identity theft, or other misuse of their data, which may result from this incident.

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

Sincerely,



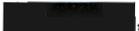
Hillary A. Russell
Senior Vice President, Chief Privacy Officer & Associate General Counsel
Compliance, Legal & Risk
LPL Financial LLC

Enclosure: Sample Notification Letter to Mailed Impacted Massachusetts Residents

¹ Offline members will be eligible to call for additional reports quarterly after enrolling.

² Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of American International Group, Inc. (AIG). 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 14, 2017

Dear ,

As you are a valued client of LPL Financial, protecting your privacy is a top priority for our firm. Regrettably, on June 8, 2017, we were notified that your advisor's office hired an employee without informing LPL Financial. This employee may have had access to your personal information. As a result, your personal information, including name, LPL Financial account number and Social Security number, may have been exposed to unauthorized access.

We maintain a strong commitment to protecting your information and strive 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. With any incident, LPL Financial considers whether our current procedures should be amended to better prevent a similar incident from occurring and, if improvements are merited, procedures are changed.

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).

Please note that this Identity Restoration assistance offering is available to you for **one-year** from the date of this letter and does not require any action on your part at this time.

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.

While Identity Restoration assistance is immediately available to you, we also encourage you to activate the complimentary one-year membership to the fraud detection tools available through Experian IdentityWorksSM. This product provides you with additional services including, identity detection and resolution of identity theft. Please complete the steps below to activate your Experian IdentityWorks membership:

Activate Experian IdentityWorksSM Now in Four Easy Steps

- ENSURE That You Enroll By: **[January 1, 2018]**
- VISIT the Experian IdentityWorks website: <https://www.experianidworks.com/3bcreditone> or call (877) 890-9332 to enroll
- PROVIDE Your Activation Code: 
- PROVIDE Your Engagement Number: 

If you have questions about the product, need assistance with identity restoration that arose as a result of this incident or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at 877-890-9332. Be prepared to provide engagement number [REDACTED] as proof of eligibility for the identity restoration services by Experian.

Additional Details Regarding Your 12-Month Experian IdentityWorksSM Membership:

A credit card is **not** required for enrollment in Experian IdentityWorks.

Once your Experian IdentityWorks membership is activated, you will receive the following features:

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.¹
- **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.
- **Experian IdentityWorks ExtendCARETM:** You receive the same high-level of Identity Restoration support even after your Experian IdentityWorks membership has expired.
- **\$1 Million Identity Theft Insurance^{**}:** Provides coverage for certain costs and unauthorized electronic fund transfers.²

What you can do to protect your information: There are additional actions you can consider taking to reduce the chances of identity theft or fraud on your account(s). Please refer to www.ExperianIDWorks.com/restoration for this information.

In addition to Experian's IdentityWorksSM 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

Experian
P.O. Box 9554
Allen, TX 75013
(888) 397-3742
www.experian.com

TransUnion Fraud Victim Assistance Department
P.O. Box 6790
Fullerton, CA 92834
(800) 680-7289
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/>

¹ Offline members will be eligible to call for additional reports quarterly after enrolling.

² Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of American International Group, Inc. (AIG). 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 the 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. 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 Service Line at (800) 877-7210 x6835, between 5:30 a.m. and 4:30 p.m. PST.

Sincerely,



Hillary A. Russell
Senior Vice President, Chief Privacy Officer & Associate General Counsel
Compliance, Legal & Risk
LPL Financial LLC