



RECEIVED

MAY 25 2017

CONSUMER PROTECTION

Sent via Overnight Mail

May 24, 2017

NH Department of Justice  
Gordon J. MacDonald, Attorney General  
33 Capitol Street  
Concord, NH 03301

We are writing to notify you that optionsXpress, Inc. ("optionsXpress") discovered on May 4, 2017, that a limited number of documents containing personal information about some optionsXpress clients became searchable online due to links clients were able to create to certain of their optionsXpress documents.

#### **NATURE OF UNAUTHORIZED ACCESS**

From the time optionsXpress began offering online services (mid-2000), until the discovery of this issue, optionsXpress had offered clients the ability, after authentication, to generate a link to account documents in order to share them with a third party of their choosing, such as a financial advisor or accountant, without requiring the third party to authenticate. If clients chose to generate such links, the links could be accessed and indexed by search engines and thus become searchable online. We have no evidence that any of the documents were actually accessed by unauthorized individuals and, as explained below, our website design has been modified and the documents are no longer searchable and no longer accessible except with valid login credentials. The information contained collectively in such documents included client name, address, account number, and in some instances account balances and positions.

#### **NUMBER OF RESIDENTS AFFECTED**

3 New Hampshire residents were affected by this incident. Each resident is being sent a notification by email or regular mail. A sample client communication, which will be sent on or about May 24, 2017, is attached for your reference.

#### **STEPS BEING TAKEN BY THE COMPANY**

We have changed the design of our systems that led to this issue and disabled public access to client documents except through credentialed login on the optionsXpress website. As you will see in our sample communication, we have also offered two years of free credit monitoring and security tokens to affected clients.

## **CONTACT INFORMATION**

If you have any questions or need additional information, please contact me as noted below.

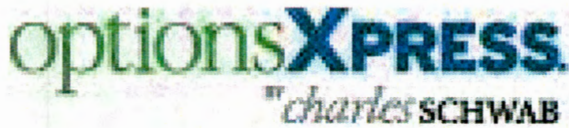
Sincerely,

Max Ruston

Corporate Privacy Officer

Telephone: (415) 667-1511

Email: [max.ruston@schwab.com](mailto:max.ruston@schwab.com)



## Notice of Possible Data Exposure

### **What Happened?**

On May 4, 2017, we learned that documents containing personal information associated with your optionsXpress account(s) became searchable online due to links you created to your optionsXpress documents. You may have done so for convenience or to share those documents with a third party, such as your financial advisor or accountant. The existence of those links enabled the documents to become accessible and subject to indexing by search engines and thus searchable online. We have no evidence that your documents were actually accessed by any unauthorized person. The issue has been resolved, and your documents are no longer searchable and no longer accessible except with valid login credentials.

### **What Information Was Involved?**

Based upon our investigation, the information in the documents at issue included name and address, as well as the account number, account balance, and positions for one or more of your accounts.

### **What We Are Doing.**

We have successfully disabled the potential for any public access to your documents, and we have taken the necessary steps to prevent this type of incident from happening again. Although we have no evidence of any unauthorized access to your information, we would like to offer you a complimentary two-year credit-monitoring subscription to Equifax. To subscribe, please follow these instructions and use this unique promotion code: XXXXXXXXXXXX.

We want you to have the highest level of confidence when you do business with us, so we offer you this simple guarantee: We will cover 100% of any losses in any of your accounts due to unauthorized activity resulting from the above situation. You can read more about the Security Guarantee here.

### **What You Can Do.**

If you would like to take advantage of an additional layer of protection, we can provide you with an optionsXpress security token. Security tokens provide another layer of authentication for clients when logging in. To learn more, or to request a security token free of charge, please call us at 888-280-8020.

We encourage you to monitor your financial accounts and credit reports for the next 12 to 24 months and report any suspicious or unrecognized activity to local law enforcement and any financial institution(s) with which you do business.

**We apologize for any inconvenience this may cause.** If you have any questions or concerns, please do not hesitate to call us at 888-280-8020.

**Other Important Information:**

This notification is not in conjunction with any law enforcement investigation.

**Credit-Reporting Agencies:**

Equifax  
P.O. Box 740256  
Atlanta, GA 30348  
Phone: 866-349-5191

TransUnion  
P.O. Box 2000  
Chester, PA 19016  
Phone: 800-680-7289

Experian  
P.O. Box 4500  
Allen, TX 75013  
Phone: 888-397-3742

If you believe you have been the victim of identity theft, you should report that to your local law enforcement agency and consider contacting the above credit-reporting agencies to place a "fraud alert" or "security freeze" on your credit file, which will notify lenders to verify your identity before extending credit in your name. You may need to provide these agencies with a police report, and each agency may charge you up to \$10. Instructions for requesting a free copy of your credit report can be viewed at <https://www.consumer.ftc.gov/articles/0155-free-credit-reports>.

Some states provide other resources for their residents:

**Iowa Residents:** You can also report suspected incidents of identity theft to local law enforcement or the Office of the Iowa Attorney General, 1305 E. Walnut Street, Des Moines, IA 50319; 515-281-5164; <http://www.iowaattorneygeneral.org>.

**Maryland Residents:** To obtain more information about steps you can take to avoid identity theft, you can contact the Office of the Maryland Attorney General, 200 St. Paul Place, Baltimore, MD 21202; 888-743-0023; [www.oag.state.md.us/contact.htm](http://www.oag.state.md.us/contact.htm); or the Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Ave. NW, Washington, DC 20580; 877-ID-THEFT (877-438-4338); <https://www.identitytheft.gov/info-lost-or-stolen>

**Massachusetts and West Virginia Residents:** Applicable law requires that we notify you that you can also place a security freeze on your credit report to prevent potential credit grantors from accessing your credit report without your consent, by sending a written request to each of the national credit-reporting agencies listed above. In order to request a security freeze, you will need to provide the following: (1) your full name, with middle initial and any suffixes; (2) your Social Security number and date of birth; (3) proof of your current address, such as a utility or phone bill, as well as a list of your addresses from the prior five years; (4) a legible photocopy of a government-issued identification card; (5) if you have been a victim of identity theft, a copy of any police report, complaint, or other investigative report you may have filed with local law enforcement; and (6) if you are not a victim of identity theft, payment by check, money order, or credit card. Do not send cash. The credit-reporting agency may charge a fee of up to \$10 each to place, temporarily lift, or remove a freeze. To lift or remove a freeze, you must send a written request in accordance with the requirements of each credit-

reporting agency. Please be aware that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for credit, loans, employment, housing, or other services. For more information regarding credit freezes, please contact the credit-reporting agencies directly. Under state law, you also have the right to request a copy of any police report filed in connection with this incident.

**North Carolina Residents:** To obtain more information about steps you can take to avoid identity theft, you can contact the North Carolina Attorney General's Office, 9001 Mail Service Center, Raleigh, NC 27699-9001; 877-5-NO-SCAM (877-566-7226); <http://www.ncdoj.gov>; or the Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Ave. NW, Washington, DC 20580; 877-ID-THEFT (877-438-4338); <https://www.identitytheft.gov/info-lost-or-stolen>.

**Oregon Residents:** You can also report suspected incidents of identity theft to law enforcement or to the Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Ave. NW, Washington, DC 20580; 877-ID-THEFT (877-438-4338); <https://www.identitytheft.gov/info-lost-or-stolen>.

**Vermont Residents:** You can learn helpful information about fighting identity theft, placing a security freeze on your credit file, and obtaining a free copy of your credit report on the Vermont Attorney General's website at <http://www.atg.state.vt.us>.

**For More Information.**

To learn more about protecting yourself from identity theft, visit the Federal Trade Commission's website at [www.ftc.gov/bcp/edu/microsites/idtheft](http://www.ftc.gov/bcp/edu/microsites/idtheft), or call them toll-free at 877-FTC-HELP.

**IMPORTANT INFORMATION**

This email was sent to {{dynamic field}}. You are receiving this email because you are an optionsXpress account holder. This email was sent regardless of opt-out status..

We respect your privacy. To view our privacy notice online, visit [optionsxpress.com](http://optionsxpress.com).

This email was sent by:  
optionsXpress, Inc.  
P. O. Box 2197  
Chicago, IL 60690-2197

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