



RECEIVED  
OFF OF THE ATTY GENERAL

2013 SEP 20 P 10:34

September 19, 2013

The Honorable Douglas F. Gansler, Attorney General  
Office of the Attorney General  
200 St. Paul Place  
Baltimore, MD 21202

Dear Attorney General Gansler:

We recently discovered that account information of residents of Maryland who are investment advisory clients of Windhaven Investment Management, Inc. ("Windhaven") may potentially have been viewed by an unauthorized person or persons. While we have no indication that our clients' account information was accessed or used inappropriately, we are writing to notify you as a precaution.

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

Windhaven recently discovered evidence of unauthorized intrusion to a web server maintained by a third-party vendor that we hired. The intruder may have been able to use this web server to gain access to a database that contained personal and account information belonging to our clients, including residents of Maryland. This information included name, address, phone number, email address, account number, custodian and investment positions in their Windhaven account(s) only. One Maryland resident may also have had their Windhaven passwords potentially exposed by virtue of logging in through the compromised web server. Please note that the database did **not** include Social Security numbers, dates of birth or information about any other affiliated accounts. We learned of the intrusion in August 2013, although any potential access to account information may have occurred earlier. While we have not detected any specific indication that clients' personal information was accessed or used inappropriately, we are informing you and our clients of this incident as a precautionary measure.

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

Windhaven has permanently disconnected the affected web server and database, disabling any potential access to clients' information. We are also conducting a thorough review of the incident in order to improve the security of confidential information in the Company's possession.

In addition, we reported the intrusion to law enforcement officials and will cooperate fully with any related investigations. As a precaution, we will be encouraging clients to contact their custodians to add security measures to their brokerage or other financial accounts. In addition, we are offering clients a one-year of credit monitoring services at no expense to the client.