

Appendix

Key Financial conducted an investigation into suspicious activity originating from unauthorized access to an employee's email account. As soon as Key Financial became aware of the activity, they immediately took steps to secure the email accounts and launched an investigation. Key Financial engaged a cybersecurity firm to assist in a full forensic analysis of the incident. The investigation determined that an unauthorized person accessed the email accounts at various times on April 2, 2021.

Key Financial completed a careful review of the email accounts, however, the investigation was unable to determine whether the unauthorized person viewed any of the emails or attachments in the accounts. In an abundance of caution, Key Financial reviewed the emails and attachments in the accounts to identify potentially affected individuals and on June 29, 2021, identified three Maine residents' names and financial account information in the impacted data.

On September 22, 2021, Key Financial is notifying three Maine residents via U.S. mail in accordance with Me. Rev. Stat. Tit. 10, §1348.¹ A copy of the notification letter is enclosed. Key Financial is providing a telephone number for potentially affected individuals to call with any questions they may have about the incident.

To help prevent this type of incident from happening again, Key Financial is taking steps to enhance their existing security protocols and re-educating staff awareness on these types of incidents.

¹ This report is not, and does not constitute, a waiver of Key Financial's objection that Maine lacks personal jurisdiction over the company related to this matter.

Royal Alliance Associates, Inc.

10300 SW Greenburg Rd. Suite 570
Portland, OR 97223



<<First Name>> <<Last Name>>
<<Address1>> <<Address2>>
<<City>>, <<State>> <<Zip>>

To Enroll, Please Call:
1-800-939-4170
Or Visit:
<https://app.idx.us/account-creation/protect>
Enrollment Code:
<<XXXXXXXXXX>>

September 20, 2021

Dear <<First Name>> <<Last Name>>,

We are writing to inform you that Key Financial, Inc. experienced a security incident that may have involved some of your personal information. Key Financial is an entity not affiliated with Royal Alliance Associates, Inc. (“Royal Alliance”) but whose financial professionals are registered with Royal Alliance for the sale of securities products and provision of financial advice. This letter explains the incident, measures we have taken, and steps you may consider taking.

We conducted an investigation into suspicious activity originating from unauthorized access to one Key Financial employee’s email account. As soon as we became aware of the activity, we immediately took steps to secure the email account and launched an investigation. A cybersecurity firm was engaged to assist in a full forensic analysis of the incident. The investigation determined that an unauthorized person accessed the employee email account on April 2, 2021.

We completed a careful review of the email account, however, our investigation was unable to determine whether the unauthorized person actually viewed any of the emails or attachments in the account. In an abundance of caution, we reviewed the emails and attachments in the account to identify individuals whose information may have been accessible to the unauthorized person. On June 29, 2021, our review determined that an email or attachment in the account contained your <<variable data elements>>.

While we have no indication that your information was actually viewed by the unauthorized person, or that it has been misused, we wanted to notify you of this incident and remind you that it is always advisable to remain vigilant for signs of unauthorized activity by reviewing your financial account statements. If you see charges or activity you did not authorize, we suggest that you contact your financial institution immediately. In an abundance of caution, we have secured the services of IDX to provide you with one year of complimentary identity monitoring services. IDX identity protection services include: one year of credit and CyberScan monitoring, a \$1,000,000 insurance reimbursement policy, and fully managed identity theft recovery services.

We encourage you to contact IDX with any questions and to enroll in free identity protection services by calling 1-800-939-4170 or going to <https://app.idx.us/account-creation/protect> and using the Enrollment Code provided above. IDX representatives are available Monday through Friday from 9 a.m. to 9 p.m. Eastern Time. Please note the deadline to enroll is December 20, 2021.

For more information on identity theft prevention, including instructions on how to activate your complimentary one-year membership, as well as information on additional steps you can take in response to this incident, please see the additional information provided in this letter.

We regret any inconvenience or concern this incident may cause you. To help prevent something like this from happening in the future, we are taking steps to enhance our existing security protocols and re-educating our staff for awareness on these types of incidents.

If you have any questions, please call 1-800-939-4170, Monday through Friday, from 9 a.m. to 9 p.m. Eastern Time.

Sincerely,

A handwritten signature in black ink, appearing to read 'Hal Gilbert', with a long horizontal flourish extending to the right.

Hal Gilbert
Senior Privacy Officer
Royal Alliance Associates, Inc.

ADDITIONAL STEPS YOU CAN TAKE

Website and Enrollment. Go to <https://app.idx.us/account-creation/protect> and follow the instructions for enrollment using your Enrollment Code provided at the top of the letter.

Activate the credit monitoring provided as part of your IDX identity protection membership. The monitoring included in the membership must be activated to be effective. Note: You must have established credit and access to a computer and the internet to use this service. If you need assistance, IDX will be able to assist you.

Telephone. Contact IDX at 1-800-939-4170 to gain additional information about this event and speak with knowledgeable representatives about the appropriate steps to take to protect your credit identity.

If you discover any suspicious items and have enrolled in IDX identity protection, notify them immediately by calling or by logging into the IDX website and filing a request for help.

If you file a request for help or report suspicious activity, you will be contacted by a member of our ID Care team who will help you determine the cause of the suspicious items. In the unlikely event that you fall victim to identity theft as a consequence of this incident, you will be assigned an ID Care Specialist who will work on your behalf to identify, stop and reverse the damage quickly.

We remind you it is always advisable to be vigilant for incidents of fraud or identity theft by reviewing your account statements and free credit reports for any unauthorized activity over the next 12 to 24 months. You may obtain a copy of your credit report, free of charge, once every 12 months from each of the three nationwide credit reporting companies. To order your annual free credit report, please visit www.annualcreditreport.com or call toll free at 1-877-322-8228. Contact information for the three nationwide credit reporting companies is as follows:

- *Equifax*, PO Box 740241, Atlanta, GA 30374, www.equifax.com, 1-800-685-1111
- *Experian*, PO Box 2002, Allen, TX 75013, www.experian.com, 1-888-397-3742
- *TransUnion*, PO Box 2000, Chester, PA 19016, www.transunion.com, 1-800-916-8800

If you believe you are the victim of identity theft or have reason to believe your personal information has been misused, you should immediately contact the Federal Trade Commission and/or the Attorney General's office in your state. You can obtain information from these sources about steps an individual can take to avoid identity theft as well as information about fraud alerts and security freezes. You should also contact your local law enforcement authorities and file a police report. Obtain a copy of the police report in case you are asked to provide copies to creditors to correct your records. Contact information for the Federal Trade Commission is as follows:

- *Federal Trade Commission*, Consumer Response Center, 600 Pennsylvania Avenue NW, Washington, DC 20580, 1-877-IDTHEFT (438-4338), www.ftc.gov/idtheft

Fraud Alerts and Credit or Security Freezes:

Fraud Alerts: There are two types of general fraud alerts you can place on your credit report to put your creditors on notice that you may be a victim of fraud—an initial alert and an extended alert. You may ask that an initial fraud alert be placed on your credit report if you suspect you have been, or are about to be, a victim of identity theft. An initial fraud alert stays on your credit report for one year. You may have an extended alert placed on your credit report if you have already been a victim of identity theft with the appropriate documentary proof. An extended fraud alert stays on your credit report for seven years.

To place a fraud alert on your credit reports, contact one of the nationwide credit bureaus. A fraud alert is free. The credit bureau you contact must tell the other two, and all three will place an alert on their versions of your report.

For those in the military who want to protect their credit while deployed, an Active Duty Military Fraud Alert lasts for one year and can be renewed for the length of your deployment. The credit bureaus will also take you off their marketing lists for pre-screened credit card offers for two years, unless you ask them not to.

Credit or Security Freezes: You have the right to put a credit freeze, also known as a security freeze, on your credit file, free of charge, which makes it more difficult for identity thieves to open new accounts in your name. That's because most creditors need to see your credit report before they approve a new account. If they can't see your report, they may not extend the credit.

How do I place a freeze on my credit reports? There is no fee to place or lift a security freeze. Unlike a fraud alert, you must separately place a security freeze on your credit file at each credit reporting company. For information and instructions to place a security freeze, contact each of the credit reporting agencies at the addresses below:

- **Experian Security Freeze**, PO Box 9554, Allen, TX 75013, www.experian.com
- **TransUnion Security Freeze**, PO Box 2000, Chester, PA 19016, www.transunion.com
- **Equifax Security Freeze**, PO Box 105788, Atlanta, GA 30348, www.equifax.com

You'll need to supply your name, address, date of birth, Social Security number and other personal information.

After receiving your freeze request, each credit bureau will provide you with a unique PIN (personal identification number) or password. Keep the PIN or password in a safe place. You will need it if you choose to lift the freeze.

How do I lift a freeze? A freeze remains in place until you ask the credit bureau to temporarily lift it or remove it altogether. If the request is made online or by phone, a credit bureau must lift a freeze within one hour. If the request is made by mail, then the bureau must lift the freeze no later than three business days after getting your request.

If you opt for a temporary lift because you are applying for credit or a job, and you can find out which credit bureau the business will contact for your file, you can save some time by lifting the freeze only at that particular credit bureau. Otherwise, you need to make the request with all three credit bureaus.

Key Financial Inc. is located at 1045 Andrew Drive, Suite A, West Chester, PA 19380, and can be reached by phone at (610) 429-9050.

Additional information for residents of the following states:

Maryland: You may contact and obtain information from your state attorney general at: *Maryland Attorney General's Office*, 200 St. Paul Place, Baltimore, MD 21202, 1-888-743-0023 / 1-410-576-6300, www.oag.state.md.us

New York: You may contact and obtain information from these state agencies: *New York Department of State Division of Consumer Protection*, One Commerce Plaza, 99 Washington Ave., Albany, NY 12231-0001, 518-474-8583 / 1-800-697-1220, <http://www.dos.ny.gov/consumerprotection>; and *New York State Office of the Attorney General*, The Capitol, Albany, NY 12224-0341, 1-800-771-7755, <https://ag.ny.gov>

North Carolina: You may contact and obtain information from your state attorney general at: *North Carolina Attorney General's Office*, 9001 Mail Service Centre, Raleigh, NC 27699, 1-919-716-6000 / 1-877-566-7226, www.ncdoj.gov

Rhode Island: This incident involves two individuals in Rhode Island. Under Rhode Island law, you have the right to file and obtain a copy of a police report. You also have the right to request a security freeze, as described above. You may contact and obtain information from your state attorney general at: *Rhode Island Attorney General's Office*, 150 South Main Street, Providence, RI 02903, 1-401-274-4400, www.riag.ri.gov

A Summary of Your Rights Under the Fair Credit Reporting Act: The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Your major rights under the FCRA are summarized below. For more information, including information about additional rights, go to www.consumerfinance.gov/learnmore or write to: Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.

- You must be told if information in your file has been used against you.
- You have the right to know what is in your file.
- You have the right to ask for a credit score.
- You have the right to dispute incomplete or inaccurate information.
- Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.
- Consumer reporting agencies may not report outdated negative information.
- Access to your file is limited.
- You must give your consent for reports to be provided to employers.
- You may limit "prescreened" offers of credit and insurance you get based on information in your credit report.
- You have a right to place a "security freeze" on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization.
- You may seek damages from violators.
- Identity theft victims and active duty military personnel have additional rights.