

<Andrew.Caspersen@Schwab.com>
To: <idtheft@oag.state.md.us>
Date: 6/12/2009 5:43 PM
Subject: Attn: Security Breach Notification

From: "Caspersen, Andrew"
RECEIVED
OFF OF THE ATTY GENERAL
2009 JUN 15 P 2:00

June 12, 2009

The Honorable Douglas F. Gansler
Attorney General, State of Maryland
Office of the Attorney General
Attn: Security Breach Notification
200 St. Paul Place
Baltimore, Maryland 21202
idtheft@oag.state.md.us

SENT VIA ELECTRONIC MAIL

Dear Attorney General Gansler:

Pursuant to Md. Code §§ 14-3501 et seq., we are writing to notify you of an unauthorized access or use of personal information involving Maryland residents.

NATURE OF THE UNAUTHORIZED USE OR ACCESS

In early May, 2009, a computer hard drive containing client personal information, including Social Security number, name or account number was stolen. The computer hard drive had been taken off of Company premises, in violation of company policy, and was subsequently stolen. No passwords were included in the stolen data.

This was an isolated incident, not a case of online fraud or computer hacking. It does not appear that the theft of this computer hard drive was intended for fraudulent purposes or identity theft.

NUMBER OF MARYLAND RESIDENTS AFFECTED

213 Maryland residents were affected by this incident. Each of these residents is being sent a notification letter in accordance with state law requirements by regular mail. A copy of the notification is enclosed.

STEPS BEING TAKEN BY THE COMPANY

The employee who removed the computer hard drive from Company premises has been terminated as a result of his violation of company data security policies and procedures. The Company will continue to communicate with its employees through employee bulletins, training and education regarding its data handling policies and procedures.

Upon discovery of the theft, the incident was reported to local law enforcement and efforts were made to recover the computer hard drive. Local law enforcement has identified and arrested a suspect, but the computer hard drive has not been recovered. As a precaution, we are monitoring client accounts to deter unauthorized activity. In addition, we are offering clients one year of credit monitoring services at no expense to the client.

CONTACT INFORMATION

If you should have any further questions or need further information, please feel free to contact me at the following address:

Andrew Caspersen

Chief Privacy and Information Security Officer

Charles Schwab & Co., Inc.

211 Main Street

San Francisco, CA 94105

(415) 667-1897

andrew.caspersen@schwab.com

Sincerely,

Andrew Caspersen

Vice President and Chief Privacy and Information Security Officer

Charles Schwab & Co., Inc.



June 11, 2009

<Dana Jones>
<ABC Corporation>
<100 Main Street>
<Anytown, Any State Zip>
<USA>

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Questions? Call: 1-877-576-7928
If you work with an independent
investment advisor, call:
1-800-515-2157

You may have been impacted by a recent data incident.

I'm writing to alert you to a recent security incident involving client information, and to let you know what steps we are taking and recommend that you take as a result. We take the security of our clients' accounts very seriously, and we apologize for this incident and the inconvenience it has caused.

What happened.

Recently, a Schwab computer hard drive that included client data was stolen. Some of your personal information, including Social Security number, name or Schwab account number, was on the hard drive. No passwords were included in the data.

This was an isolated incident, not a case of online fraud or computer hacking. It doesn't appear that the theft of this computer hard drive was intended for fraudulent purposes or identity theft.

What steps we are taking.

Schwab is working with law enforcement officials to recover the computer hard drive. As a precaution, we are monitoring your account to deter any unauthorized activity. In the event that you suspect any unauthorized activity, please call us immediately at 1-877-576-7928.

What steps we recommend you take.

To further protect your information, we recommend you do the following:

- Carefully review all of your future financial statements to ensure all transactions are authorized.
- Review your credit report regularly. You can order a free annual credit report by going to www.annualcreditreport.com or by calling the Annual Credit Report Request Service at 1-877-322-8228.
- If at any time you believe you have been the victim of identity theft, you may wish to contact the three major credit reporting agencies and place a free "Fraud Alert" in your credit file, and report any suspected identity theft to local law enforcement. The contact information for the three credit reporting agencies is listed at the end of this letter.

(Over)

- You may also wish to visit the Federal Trade Commission's website, <http://www.ftc.gov/bcp/edu/microsites/idtheft>, or call them toll-free at 1-877-FTC-HELP, to learn more about protecting yourself from identity theft.

We would also like to offer you a **complimentary, one-year credit monitoring subscription from Equifax**. To subscribe to the product, please see the enclosed information sheet, and use this unique promotion code: <<code>>.

We are committed to safeguarding the privacy of your information, and we take the security of your accounts very seriously. Again, we apologize for this incident and the inconvenience it has caused. Please feel free to call us anytime at 1-877-576-7928 with questions. If you work with an independent investment advisor, call Schwab Signature Alliance® at 1-800-515-2157.

Sincerely,



Andy Gill
Senior Vice President
Charles Schwab

Credit Reporting Agencies:

Equifax 1-877-478-7625 P.O. Box 740241 Atlanta, GA 30374 www.equifax.com	Experian 1-888-397-3742 P.O. Box 2002 Allen, TX 75013 www.experian.com	TransUnion 1-888-909-8872 P.O. Box 6790 Fullerton, CA 92834 www.transunion.com
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Independent investment advisors are not owned by, affiliated with, or supervised by Schwab.

For Massachusetts residents: Massachusetts law requires that we notify you that you may 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; (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, include payment by check, money order or credit card—do not send cash. Each credit reporting agency may charge a fee of up to \$5.00 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 Massachusetts law, you also have the right to request from Schwab a copy of any police report filed in connection with this incident.

For Maryland residents: You may contact the Office of the Maryland Attorney General at 200 St. Paul Place, Baltimore, MD 21202, 1-888-743-0023, <http://www.oag.state.md.us/contact.htm>, or contact the Federal Trade Commission's Consumer Response Center at 600 Pennsylvania Ave., NW, Washington, DC 20580, <http://www.ftc.gov/bcp/menus/business/data.shtml>, to obtain more information about steps you can take to avoid identity theft.