

July 10, 2020

BY E-MAIL

Attorney General Wayne Stenehjem
Office of the Attorney General
600 East Boulevard Avenue, Department 125
Bismarck, ND 58505-0040
ndag@nd.gov

Dear Attorney General Stenehjem:

We are writing to notify you of two potential data security incidents involving approximately 20,399 North Dakota residents.

In 2016, Morgan Stanley closed two data centers and decommissioned computer equipment that processed client information in both locations. As is customary, we contracted with a vendor to remove the data from the devices. We subsequently learned that certain devices believed to have been wiped of all information still contained some unencrypted data (the “Data Center Event”).

Separately, in 2019, Morgan Stanley disconnected and replaced certain computer servers (the “WAAS device”) in local branch offices. Those servers had stored information on encrypted disks that may have included personal information. During a recent inventory, we were unable to locate a small number of those devices. The manufacturer subsequently informed us of a software flaw that could have resulted in small amounts of previously deleted data remaining on the disks in unencrypted form. We have worked with outside technical experts to understand the facts and any potential risks (the “WAAS Device Event”).

We are not aware of any access to or misuse of personal information in connection with either of these incidents. For both events, we investigated the disposition and handling of the devices, and worked with outside technical experts to understand any potential risks to customer data in light of the technical characteristics and configuration of each of the relevant devices. In addition, we have continuously monitored active accounts as well as internet and “dark web” forums for any evidence of misuse of Morgan Stanley data and have not detected any unauthorized activity related to the incident.

Nonetheless, we decided that, in an abundance of caution, on July 10, 2020, we would provide notice of the Data Center Event and the WAAS Device Event to individuals whose information may have been on the devices when they left our possession.

Data that potentially could have remained on the devices may have included account names and numbers (at Morgan Stanley and any linked bank accounts), Social Security numbers, passport numbers, contact information, dates of birth, and asset value and holdings data. Note

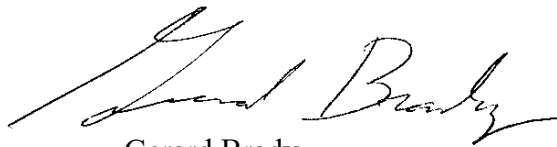
that any data on the devices did not contain credit or debit card numbers or passwords that could be used to access financial accounts.

We are notifying approximately 20,399 North Dakota residents who may have been affected via a written notice that will be delivered by the U.S. Postal Service or, where electronic communications have been authorized by the customer, via our e-communications system. A sample copy of the notice is attached hereto.

As noted above, we have continuously monitored this situation and have not detected any unauthorized activity relating to this incident. In addition, for any potentially impacted account, we have instituted enhanced security procedures, including continuous fraud monitoring and monitoring of information about malicious online activity and evidence of misuse of any Morgan Stanley data. We have also arranged with Experian to provide any potentially affected individuals with credit monitoring services for 24 months at no charge to them. Finally, in addition to the measures described above, we have taken steps to further strengthen controls aimed at reducing the risk that such an incident could occur in the future.

To the extent you have any questions about this notification, please contact my colleague, Akinyemi Akiwowo at (212) 537-1592 or Akinyemi.Akiwowo@morganstanley.com for additional information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gerard Brady". The signature is fluid and cursive, with a long horizontal stroke at the end.

Gerard Brady
Chief Information Security Officer

July 10 2020

Name
Address
Address

PLEASE REVIEW | IMPORTANT INFORMATION REGARDING YOUR ACCOUNT(S)

We write to inform you of potential data security incidents relating to personal information for your Morgan Stanley account(s). In 2016, Morgan Stanley closed two data centers and decommissioned the computer equipment in both locations. As is customary, we contracted with a vendor to remove the data from the devices. We subsequently learned that certain devices believed to have been wiped of all information still contained some unencrypted data. Separately, in 2019, Morgan Stanley disconnected and replaced a computer server in a local branch office. That server had stored information on encrypted disks that may have included personal information. During a recent inventory, we were unable to locate that device. The manufacturer subsequently informed us of a software flaw that could have resulted in small amounts of previously deleted data remaining on the disks in unencrypted form. We have worked with outside technical experts to understand the facts and any potential risks.

We are not aware of any access to, or misuse of, your personal information in connection with either incident. Nonetheless, because it is possible that data associated with your account(s) could have remained on some of the devices when they left our possession, in an abundance of caution, we wanted to make you aware of these matters and what we are doing to protect you.

We have continuously monitored these situations and have not detected any unauthorized activity related to the incidents. In addition, we have instituted enhanced security procedures on your account(s), including continuous fraud monitoring and monitoring of information about malicious online activity and evidence of misuse of any Morgan Stanley data.

The data pertaining to your account(s) may have included certain personal information of the individual(s) associated with your account(s), including account names and numbers (at Morgan Stanley and any linked bank accounts), Social Security number, passport number, contact information, date of birth, asset value and holdings data. The data did not contain Morgan Stanley online passwords.

We have arranged with Experian® to provide you with their Experian IdentityWorks™ credit monitoring and fraud detection services for 24 months at no charge to you. To take advantage of this offer, please visit the Experian IdentityWorks website at www.experianidworks.com/credit by October 31, 2020 and reference the Redemption Code(s) noted below. Additional Redemption Codes are available if you would like coverage for other individuals in your household associated with your account(s).

123456789000
123456789100

At any point during the 24-month period, you are also eligible for free Identity Restoration services from Experian. If you need assistance enrolling in Experian IdentityWorks or have questions about the product,

please contact Experian's customer care team at 877-230-9735 or 479-343-6227 (International). Be prepared to provide engagement number DB20426 as proof of eligibility for the IdentityWorks services by Experian.

[If you have any questions, please contact a member of your Morgan Stanley team or the Client Service Center at 888-454-3965 or 614-414-8026 (International)].[If you have any questions, please contact a member of your Morgan Stanley Virtual Advisor team at 866-742-6669]. Enclosed is a standard reference guide with additional information on the protection of personal information.

We understand the importance you place on data security and we take our responsibility to protect your information very seriously. We sincerely regret any inconvenience or concern these matters may cause you.

Supplemental Information for the Protection of Personal Information

Avoiding Phishing. Please use caution when responding to third parties who request disclosure of your personal information via email, text or phone. This may include inquiries from third parties posing as bank officials, information security experts, government agencies and other trusted sources, in an effort to trick you into divulging your personal information.

You should never provide personal information, such as usernames, passwords, government issued personal identification numbers (e.g., U.S. Social Security Numbers), account numbers or any other confidential personal information via email request or screen pop-ups. **Legitimate agencies/companies do not ask for this type of information in an email. We will never ask for your account password by email or by phone.**

Remain Vigilant. As always, you should monitor your statements for any activity you do not recognize. Contact us immediately to report any suspicious activity.

You also should not click links or open attachments sent from atypical or unknown senders, even if they appear to be legitimate. Pay special attention to links that purportedly take you to websites or other resources related to this incident, or offer you services to assist with this incident. **When in doubt, call your regular Morgan Stanley contact to verify the legitimacy of the communication.**

Ordering Your Free Credit Report. You are entitled under U.S. law to one free credit report annually from each of the three nationwide consumer reporting agencies. To order your credit report, visit www.annualcreditreport.com or call toll-free at 877-322-8228. We encourage you to remain vigilant by reviewing your account statements and monitoring your free credit reports.

Federal Fair Credit Reporting Act Rights: You also have rights under the federal Fair Credit Reporting Act (FCRA), which promotes the accuracy, fairness and privacy of information in the files of consumer reporting agencies. More information is available at <https://www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf>.

Obtaining a Police Report: You may be entitled by state law to obtain a police report relating to this matter; however, to our knowledge, no such report exists. If you are the victim of identity theft, you also have the right to file a police report and obtain a copy of it.

Fraud Alerts and Security Freezes. You can place a fraud alert or security freeze on your credit report, free of charge, by calling any of the toll-free numbers provided below. Unlike a fraud alert, you must place a security freeze on your credit file at each consumer reporting agency individually. For more information on fraud alerts and security freezes, you also may contact the FTC as described below. You may have to submit personal information to obtain the security freeze, including name, Social Security Number, date of birth, and photograph of a government ID.

Equifax Credit Information Services, Inc.

P.O. Box 740241
Atlanta, GA 30374
1-800-685-1111
www.equifax.com

Experian Inc.

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

TransUnion LLC

P.O. Box 2000
Chester, PA 19022-2000
1-888-909-8872
www.transunion.com

Reporting Incidents. If you become aware of an unauthorized transaction, please promptly contact your financial institution. Identity theft or fraud incidents should be promptly reported to law enforcement, the FTC or your state Attorney General. You can contact the FTC to learn more about identity theft:

Federal Trade Commission
Consumer Response Center

600 Pennsylvania Avenue, NW
Washington, DC 20580
877-IDTHEFT (438-4338)
www.ftc.gov/idtheft/

Contacting State Authorities: In certain states, you may be able seek assistance from state authorities for information about preventing or reporting suspected identity theft. Contact information for those authorities is provided below.

Maryland Residents

Office of the Attorney General
200 St. Paul Place
Baltimore, MD 21202
<https://www.marylandattorneygeneral.gov/>
(888) 743-0023

New York Residents

Office of the Attorney General
The Capitol
Albany, NY 12224-0341
1 (800) 771-7755
<https://ag.ny.gov/internet/privacy-and-identity-theft/>

North Carolina Residents

Office of the Attorney General
9001 Mail Service Center
Raleigh, NC 27699-9001
<https://www.ncdoj.gov/>
(877) 566-7226

Oregon Residents

Office of the Attorney General
1162 Court Street NE
Salem, OR 97301-4096
(503) 378-6002
<https://www.doj.state.or.us/oregon-department-of-justice/office-of-the-attorney-general/attorney-general-ellen-f-rosenblum/>

Rhode Island Residents

Rhode Island Office of the Attorney General
150 South Main Street
Providence, Rhode Island 02903
<http://www.riag.ri.gov/>
(401) 274-4400

Additional Details Regarding Your Experian IdentityWorks Membership:

A credit card is not required for enrollment in Experian IdentityWorks. You can contact Experian immediately regarding any fraud issues, and have access to the following features once you enroll in Experian IdentityWorks:

- **Experian IdentityWorks Services:** Services are available for 24 months from the date of enrollment.
- **Experian credit report at signup:** See what information is associated with your credit report. Daily credit reports are available for online members only. Offline members will be eligible to call for additional reports quarterly after enrolling.
- **Credit Monitoring:** Actively monitors Experian file for indicators of fraud.
- **Identity Restoration:** Identity Restoration specialists are immediately available to help you address credit and non-credit related fraud. If you believe there was fraudulent use of your information as a result of this incident 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 from the date of the incident (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).

- **Experian IdentityWorks ExtendCARE™:** You receive the same high-level of Identity Restoration support even after your Experian IdentityWorks membership has expired.
- **Up to \$1 Million Identity Theft Insurance:** Provides coverage for certain costs and unauthorized electronic fund transfers. The Identity Theft Insurance is underwritten and administered by American Bankers Insurance Company of Florida, an Assurant company. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

The Terms and Conditions for this offer can be found at www.ExperianIDWorks.com/restoration.