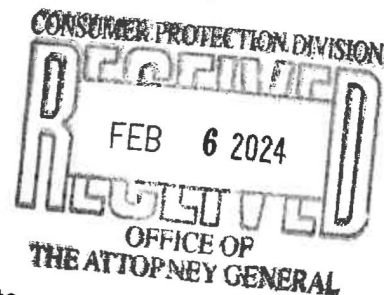




5707 Southwest Parkway, Bldg. 2, Ste. 400, Austin, Texas 78735 844-5-KESTRA (844-553-7872)

26 January 2024

Office of the Attorney General, State of Maryland
200 St. Paul Place
Baltimore, MD 21202



Re: Notification of a Possible Data Breach for Certain Kestra Clients Residing in Your State

Dear Attorney General,

We are writing to notify your office of an incident that may have exposed some personally identifiable information (“PII”) of a small number of our clients residing in your state. We take the protection and proper use of our clients’ PII very seriously. This notification is made pursuant to state regulations requiring notification to your office.

Kestra Financial, located in Austin, Texas, is the parent company of Kestra Investment Services, LLC, Kestra Advisory Services, LLC, Kestra Private Wealth Services LLC, and Kestra Institutional Services, LLC. We provide retail broker-dealer and registered investment advisory services through independent contractor financial advisors, advisors employed by our affiliates and their respective offices.

What Happened?

On or around 10 January 2024, a computer associated with one of our independent contractor offices was victimized by a ransomware event, impacting the independent contractor office. The unauthorized party was able to leverage the domain administrator privileges of the independent contractor within their branch office to propagate malware (Orakle) through their independent contractor office. The hacker downloaded some files from the file server and encrypted the system demanding a ransom for the key. Kestra is still evaluating the extent of information taken, however the company is assuming the posture that all client PII was possibly compromised and notifying clients in an abundance of caution. The independent contractor office was able to disable access for the unauthorized party and restore from a good backup as of 28 December 2023. The breach was discovered on 16 January 2024 and remediated the same day. Kestra completed its investigation on 17 January 2024.

The breach affected an estimated 7 client(s) in your state.

What We Are Doing.

In addition to the actions noted above, we secured the services of Kroll to assist with the notifications to affected clients. In addition, Kroll will provide identity monitoring services for 12 months at no cost to the client. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential data.

[KESTRAFINANCIAL.COM](https://www.kestrafinancial.com)

Kestra Financial, Inc is the parent company of Kestra Investment Services, LLC member FINRA/SIPC and Kestra Advisory Services, LLC



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We believe the matter to be completely remediated. If you require additional information, please do not hesitate to contact me at tom.delaney@kestrafinancial.com or contact me at (737) 212-9795.

Kind regards,

Tom Delaney
Senior Vice-President, Compliance Services
Kestra Financial

Attachment: Sample Client Notification Letter

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Date

Name

Address

Address

Dear XXX,

We are writing to notify you about an incident that may have exposed some of your personal information. We take the protection and proper use of your information very seriously. For this reason, we are contacting you directly to explain the circumstances of the incident.

Kestra Financial is the parent company of Kestra Investment Services, LLC, Kestra Advisory Services, LLC, Kestra Private Wealth Services LLC, and Kestra Institutional Services, LLC. Your financial advisor affiliated with The Wiser Group, has associated with a Kestra Financial company as his/her broker-dealer and/or investment adviser, to provide you investment products and services.

What Happened?

On or around January 10, 2024, a computer associated with The Wiser Group was accessed by an unauthorized party. The breach was discovered on January 16, 2024 and has been fully remediated.

What Information Was Involved?

We do not have any specific evidence that your Personally Identifiable Information (PII) was stolen such as: first and last names, social security number, date of birth, and financial account numbers. However, we are providing this notice in an abundance of caution.

What We Are Doing.

To help relieve concerns and restore confidence following this incident, we have secured the services of Kroll to provide identity monitoring services at no cost to you for 12 months. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential data.

How to Activate Your Identity Monitoring Services

1. You must activate your identity monitoring services by XXXXXX. Your Activation Code will not work after this date.
2. Visit <https://enroll.idheadquarters.com/redeem> to activate your identity monitoring services.

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3. Provide Your Activation Code: **XXXXXXXXXX** and Your Verification ID: **XXXXXXXXXX**

To sign in to your account after you have activated your identity monitoring services, please visit
<https://login.idheadquarters.com/>

Take Advantage of Your Identity Monitoring Services

You've been provided with access to the following services¹ from Kroll:

Single Bureau Credit Monitoring

You will receive alerts when there are changes to your credit data—for instance, when a new line of credit is applied for in your name. If you do not recognize the activity, you'll have the option to call a Kroll fraud specialist, who can help you determine if it's an indicator of identity theft.

Fraud Consultation

You have unlimited access to consultation with a Kroll fraud specialist. Support includes showing you the most effective ways to protect your identity, explaining your rights and protections under the law, assistance with fraud alerts, and interpreting how personal information is accessed and used, including investigating suspicious activity that could be tied to an identity theft event.

Identity Theft Restoration

If you become a victim of identity theft, an experienced Kroll licensed investigator will work on your behalf to resolve related issues. You will have access to a dedicated investigator who understands your issues and can do most of the work for you. Your investigator can dig deep to uncover the scope of the identity theft, and then work to resolve it.

Important Contact Information

Equifax PO Box 740241 Atlanta, GA 30374 800-525-6285 www.equifax.com	Experian PO Box 4500 Allen, TX 75013 888-397-3742 www.experian.com	TransUnion PO Box 2000 Chester, PA 19016 877-322-8228 www.transunion.com	Federal Trade Commission 600 Pennsylvania Ave. NW Washington DC 20580 877-438-4338 www.ftc.gov/theft
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¹ Kroll's activation website is only compatible with the current version or one version earlier of Internet Explorer, Chrome, Firefox, and Safari. To receive credit monitoring services, you must be over the age of 18 and have established credit in the U.S., have a Social Security number in your name, and have a U.S. residential address.

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