

September 19, 2013

The Honorable Joseph Foster, Attorney General
Office of the Attorney General
33 Capitol Street
Concord, New Hampshire 03301

Dear Attorney General Foster:

We recently discovered that account information of residents of New Hampshire 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 New Hampshire. This information included name, address, phone number, email address, account number, custodian and investment positions in their Windhaven account(s) only. A very small number of New Hampshire residents 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.

NUMBER OF RESIDENTS AFFECTED

419 New Hampshire residents were affected by this incident. Each of these residents is being sent a notification letter on or about September 20, 2013 by regular mail.

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.

CONTACT INFORMATION

If you should have any further questions or need further information, please contact me at the following locations:

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Sincerely,



Bryan Olson
President
Windhaven Investment Management, Inc.

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DEPT OF JUSTICE
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