

# Morgan Keegan

MEMBER FINRA, SIPC

September 24, 2010

Morgan Keegan & Company, Inc.  
Morgan Keegan Tower  
Fifty Front Street  
Memphis, Tennessee 38103  
901.524.4100 • 800.366.7426  
telex 69.74324

Office of the Attorney General  
Attn: Security Breach Notification  
200 St. Paul Place  
Baltimore, MD 21202  
Idtheft@oag.state.md.us

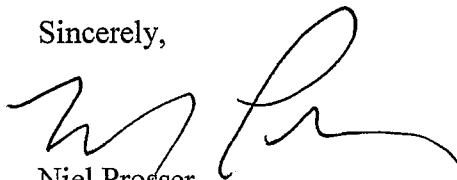
**RE: Unauthorized Access to Social Security Numbers, etc. pursuant to  
Md. Code Ann., Com. Law. § 14-3504(h)**

Dear Sir or Madam:

Please find enclosed herewith a letter we are preparing to send to the holders of forty-three (43) affected accounts of Maryland residents regarding the unauthorized access to these individuals' names, social security numbers and other certain personal financial documentation. Details regarding this situation are set forth in the enclosed letter.

If you have any questions about this incident, please contact me at 901-529-3763.

Sincerely,



Niel Prosser  
Deputy General Counsel

NP/lmc

Enclosure

A Regions Company

Not FDIC Insured • May Lose Value • No Bank Guarantee  
Not a Deposit • Not Insured by Any Government Agency

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NAME  
NAME 2/ADDRESS 1  
ADDRESS 2  
ADDRESS 3  
ADDRESS 4  
CITY, STATE, ZIP

## **IMPORTANT NEWS ABOUT YOUR ACCOUNT**

Morgan Keegan always strives to respect and protect the confidentiality of our clients' personal information. Unfortunately, we recently learned that a document that we were required by law to provide to our regulators has come into the possession of an unauthorized individual. This document contained sensitive personal information about certain of our clients, including you.

As soon as we learned of this privacy breach, we immediately put into place several precautions to protect you. Those steps are described below. As of today, Morgan Keegan has not detected any unauthorized activity with respect to your account and is not aware of any use of this information with regard to the theft of a client's identity.

Morgan Keegan takes its obligations to safeguard the personal information of our clients very seriously. We want to assure you that this unauthorized disclosure was not due to any systemic failure or lapse on the part of Morgan Keegan. The unauthorized disclosure appears to be solely attributable to the activity of one, or more, third parties.

### **Background on the Breach**

In January 2010, Morgan Keegan was required by law to produce a document containing certain of our clients' personal confidential information (e.g., tax I.D./social security number, age, income, net worth, liquid net worth, and other account information) in response to a request by several state securities regulators ("Joint State Investigation"). Morgan Keegan produced the requested document only after we obtained assurances that this information would be treated as confidential, and in reliance upon state law that prohibits unauthorized disclosure and use of this information.

Morgan Keegan has since learned that the document was obtained by a plaintiffs' attorney, Andrew P. Campbell, a member of the Alabama Securities Commission, who has filed legal actions against our firm. Morgan Keegan did not provide this document to Mr. Campbell and does not know how it was obtained. While his explanations to date have been conflicting, Mr. Campbell contends that he obtained the document from the Alabama Securities Commission. Needless to say, our investigation is ongoing.

### **Actions Taken to Protect Your Information**

Because of the nature of the confidential information this document contains, we are taking the unauthorized disclosure of the underlying information extremely seriously. In addition to notifying the affected clients, including you, of this incident, Morgan Keegan has, as a precautionary measure, flagged all affected accounts in its systems. For the next twelve (12) months transfers and withdrawals in these accounts will be carefully monitored.

In order to protect you from the risks that may arise from the disclosure of this document, Morgan Keegan has arranged to provide you with credit monitoring services at our expense. To activate your free one-year membership in Triple Alert<sup>SM</sup>, please follow the instructions included on the next page.

As always, Morgan Keegan recommends that you remain vigilant over the next 12-24 months in watching for any unauthorized use of your social security number or credit identity, including closely reviewing your bank and credit account statements.

Morgan Keegan has notified the required state agencies, the three major credit reporting bureaus, and has provided notice of the breach to the Joint State Investigation task force, the group to which we initially provided the information. Should you wish to share any concerns directly with the task force, the contact information for Joseph P. Borg, Director of the Alabama Securities Commission is below.

Joseph P. Borg, Director  
Alabama Securities Commission  
P. O. Box 304700  
Montgomery, AL 36130-4700  
Phone: 800-222-1253 Fax: 334-242-0240  
Email: asc@asc.alabama.gov

If you have questions about this incident or have questions about the precautionary measures that Morgan Keegan is taking to safeguard against unauthorized use of your personal information, please do not hesitate to contact your financial advisor or Morgan Keegan Customer Service at 1-800-774-1503.

We apologize for the inconvenience this incident may cause and will continue to investigate the cause of this incident and to pursue available remedies against responsible parties.

Sincerely,  
Morgan Keegan & Company, Inc.

## HOW TO ACTIVATE YOUR COMPLIMENTARY CREDIT MONITORING SERVICE

To activate your complimentary one-year membership in Triple Alert from Experian, visit the website listed below and enter your individual activation code. If you prefer, you can enroll on the phone by speaking with Experian Customer Care representatives toll-free at (866) 579-5479.

**Triple Alert Web Site:** <http://partner.consumerinfo.com/triple>  
**Your Activation Code:** <Activation Code>  
**You Must Enroll By:** December 31, 2010

As soon as you enroll in your complimentary Triple Alert membership, Experian will begin to monitor your credit reports from Experian, Equifax® and TransUnion® on a daily basis and notify you of key changes. This powerful tool will help you identify potentially fraudulent use of your information, and provide you with immediate assistance from a dedicated team of fraud resolution representatives should you ever need help.

### Your complimentary 12-month Triple Alert membership includes:

- Daily monitoring and timely alerts of any key changes to your credit reports—so you know when there is any activity that you should be made aware of such as notification on new inquiries, newly opened accounts, delinquencies, public records or address changes
- Toll-free access to a dedicated team of fraud resolution representatives who will help you investigate each incident; contact credit grantors to dispute charges, close accounts if need be, and compile documents; and contact all relevant government agencies
- \$25,000 in identity theft insurance coverage (\$10,000 for New York state residents) with zero deductible provided by Virginia Surety Company, Inc. for certain identity theft expenses\*

Once your enrollment in Triple Alert is complete, you should carefully review your credit reports for potentially inaccurate or suspicious items. If you have questions about Triple Alert, need help understanding something on your credit report or suspect that an item on your credit report may be fraudulent, please contact Experian's customer care at (866) 579-5479.

\* Insurance coverage is not available in US overseas Commonwealth or Territories (i.e. Puerto Rico).

## OTHER ACTIONS YOU MAY TAKE TO PROTECT YOUR IDENTITY

### Placing a Fraud Alert on Your Credit File

Should you choose to do so, you may also place a fraud alert on your credit file by contacting any of the three major credit reporting agencies at the numbers listed below:

Equifax	Experian	TransUnionCorp
1-800-525-6285	1-888-397-3742	1-800-680-7289

As soon as one credit bureau confirms your fraud alert, the other two will be notified of the alert. Once effective, a fraud alert requires creditors to contact you before they open any new accounts or change your existing accounts.

**Obtain a Free Credit Report**

In addition, we recommend that you periodically obtain credit reports from each nationwide credit reporting agency. You can request your free annual report online, by phone or by mail. Visit [AnnualCreditReport.com](http://AnnualCreditReport.com), call 1-877-322-8228, or fill out the Annual Credit Report Request form located on the website and mail it to the address provided on the form. No matter how you request your report, you have the option to request all three reports at once or to order one report at a time. By requesting the reports separately, you can monitor your credit more frequently throughout the year.

**Review the Federal Trade Commission Web Site**

If you need additional information about protecting your personal information, please review the Federal Trade Commission's website at <http://www.ftc.gov/bcp/edu/microsites/idtheft/>.