Dear Client,

A computer containing personal data was recently stolen from a Transcend Capital branch office. After an investigation to determine the possible extent of the breach we have concluded that some personal identifying information for your account was stored on the stolen computer. We have reason to believe that your data was not accessed, but we have decided out of an abundance of caution to alert you to the possibility that your data may have been breached. The compromised data was limited to your name, SSN/TIN and Transcend account number; no account passwords or account transaction data was stored on the stolen computer.

Our staff is aware of this incident and will be on the lookout for any suspicious activity. Our clearing firm, Penson, will be in touch with you in the coming weeks about changing your current account number to a new number.

In light of the possible theft of your personal data, Transcend will reimburse you for the purchase price of a personal one-year subscription to an identity theft monitoring and protection service. You are free to choose the service of your choice, but we would like to suggest that you consider using the IDFreeze plan from TrustedID. The plan offers the following features:

- ✓ Credit Card Number Scanning
- ✓ Social Security Number Scanning
- ✓ Name & Address Scanning
- ✓ Bank Account Number Scanning
- ✓ Identity Threat Score™
- ✓ Lost Wallet Protection
- ✓ Fraud Alerts
- ✓ Medical Benefits Protection
- ✓ Junk Mail Reduction
- ✓ Secure Scan Anti-Spyware Software
- ✓ Free Annual Credit Reports
- ✓ $1,000,000 Service Warranty
- ✓ On-Call Protection Specialists

You can learn more about TrustedID here: https://www.trustedid.com/. Should you decide to subscribe to this or any other plan, Transcend will reimburse your Transcend account up to $100 for the service. Simply email a copy of your invoice or proof of payment to compliance@transcendcapital.com and the funds will be credited to your account.

Please use the following resources to obtain information on steps you can take to avoid identity theft:

Maryland's Office of the Attorney General
http://www.oag.state.md.us/idtheft/index.htm

ID Theft Unit: 410-576-6491

The Federal Trade Commission
http://www.ftc.gov/index.shtml
877-438-4338

Transcend is committed to maintaining the highest levels of security for your data and we are conducting a review of the firm's security policies, procedures and practices to help that this type of breach does not occur again. We apologize for any inconvenience this may cause you.

If you have any further questions regarding this situation, please reply to this email or call our Compliance department at 512-623-7774.

Client Support: 512-623-7774

TRANSCEND
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Client Support: 512-623-7774
Business Line: 512-402-6647

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