

Morgan Stanley

July 10, 2020

BY E-MAIL

Attorney General Tom Miller
Consumer Protection Division
Security Breach Notifications
Office of the Attorney General of Iowa
1305 E. Walnut Street
Des Moines, Iowa 50319-0106
consumer@ag.iowa.gov

Dear Attorney General Miller:

We are writing to notify you of two potential data security incidents involving Iowa 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.

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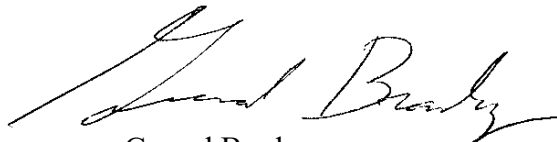
Data that potentially could have remained on the devices may have included account names and numbers (at Morgan Stanley and any linked bank accounts), Social Security numbers, passport numbers, contact information, dates of birth, and asset value and holdings data. Note that any data on the devices did not contain credit or debit card numbers or passwords that could be used to access financial accounts.

We are notifying Iowa 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