



December 22, 2022

**VIA ONLINE PORTAL**

Office of the Maine Attorney General  
6 State House Station  
Augusta, ME 04333

Re: Security Incident Notification

To Whom It May Concern:

Apex Clearing Corporation ("Apex") is notifying your office with respect to a data security event involving certain personal information of Maine residents. By providing this notice, Apex does not waive any rights or defenses regarding the applicability of Maine law or personal jurisdiction.

Apex is a broker-dealer, registered with the SEC and is a FINRA member. Apex provides brokerage services to Vimvest Securities, LLC d/b/a Monorail Securities ("Monorail"), which is an SEC registered investment advisor, to enable Monorail's customers to open brokerage accounts and trade U.S. securities through Monorail's application. This notice is solely regarding potential impact to personal information that may have occurred on Apex's systems.

**Nature of the Security Incident**

In late August and early September, Apex learned from Monorail that an unauthorized individual had used system credentials that Apex issued to Monorail to access Apex's systems and apparently defrauded some number of individual customers of Monorail. These fraudulent withdrawals were either recovered or reimbursed by Monorail. Apex immediately reset Monorail's credentials, began an investigation, and implemented additional safeguards to protect Apex's systems.

In late October, Monorail subsequently informed Apex that Monorail's new credentials were again used by an unauthorized person. These additional fraud attempts were blocked or recovered. Apex's analysis revealed that an unauthorized individual may have had access to Apex's systems between March 2022 and October 2022 as a result of the foregoing credential compromises.

On or after December 1, 2022, Apex discovered that certain personal information of Maine residents may have been exposed. This personal information may have included the following types of personal information: first and last name; last four digits of Social Security Number; Apex

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internal financial account number; address and contact information; bank account no.; and routing no.

### **Steps Taken in Response to the Security Incident**

As part of the investigation, a leading forensic investigator was engaged to help determine the extent of access and exposure. Apex has also taken steps, including as described above, to enhance its data security measures to prevent the occurrence of a similar event.

Apex will send notification letters to the affected Maine residents on December 22, 2022 via regular U.S. mail. A copy of the template notification letter is enclosed. In addition, Apex is offering complimentary credit monitoring and identity protection services through Kroll to certain affected individuals for 12 months.

Apex has made a report to FINRA about these events. Apex has also notified law enforcement.

### **Number of Maine Residents Impacted**

Apex has identified 7 Maine residents who were potentially impacted by this incident.

### **Contact Information**

McDermott Will and Emery is our legal counsel in this matter. Accordingly, please direct all correspondence and questions to our counsel, Mark Schreiber, at [mschreiber@mwe.com](mailto:mschreiber@mwe.com), (617)-535-3982, or by mail at 200 Clarendon Street, Floor 58, Boston, MA 02116-5021.

Sincerely,

Rajeev Khurana

Chief Legal Officer

Apex Clearing Corporation

Enc.

Template Notification Letter

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