



**MULLEN
COUGHLIN**
ATTORNEYS AT LAW

RECEIVED

APR 27 2020

CONSUMER PROTECTION

Jeffrey J. Boogay
Office: (267) 930-4784
Fax: (267) 930-4771
Email: jboogay@mullen.law

1275 Drummers Lane, Suite 302
Wayne, PA 19087

April 23, 2020

INTENDED FOR ADDRESSEE(S) ONLY

VIA U.S. MAIL

Consumer Protection Bureau
Office of the New Hampshire Attorney General
33 Capitol Street
Concord, NH 03301

Re: Notice of Data Event

Dear Sir or Madam:

We represent Drake Software ("Drake") located at 235 East Palmer Street, Franklin, North Carolina 28734, and are writing to notify your office of an incident that may affect the security of some personal information relating to four (4) New Hampshire residents. The investigation into this matter is ongoing, and this notice will be supplemented with any new significant facts learned subsequent to its submission. By providing this notice, Drake does not waive any rights or defenses regarding the applicability of New Hampshire law, the applicability of the New Hampshire data event notification statute, or personal jurisdiction.

Nature of the Data Event

On February 19, 2020, Drake discovered suspicious activity within its Drake Hosted environment. Drake immediately launched an investigation, with the assistance of leading third-party forensic investigators, to determine the full nature and scope of this incident and what information contained within the affected system may be affected. On March 17, 2020, the investigation determined that an unknown actor(s) gained access to the Drake Hosted environment and certain information within the Drake Hosted environment was downloaded. The content of the downloaded information was reviewed to determine what sensitive data may have been contained therein. Drake's investigation confirmed that the information contained in the file accessed included name, address, date of birth, Social Security number, driver's license number, bank account information, and other tax return related information. Upon review of the downloaded

information, Drake promptly launched a review of its files to ascertain address information for the impacted individuals to notify those individual.

Notice to New Hampshire Residents

On or about April 23, 2020, Drake provided written notice of this incident to all affected individuals, which includes four (4) New Hampshire residents. Written notice is being provided in substantially the same form as the letters attached here as *Exhibit A*.

Other Steps Taken and To Be Taken

Upon discovering the event, Drake moved quickly to investigate and respond to the incident, assess the security of Drake systems, and notify potentially affected individuals. Drake is also working to implement additional safeguards and training to its employees. Drake is providing access to credit monitoring services for twenty-four (24) months, through Experian, to individuals whose personal information was potentially affected by this incident, at no cost to these individuals.

Additionally, Drake is providing impacted individuals with guidance on how to better protect against identity theft and fraud, including advising individuals to report any suspected incidents of identity theft or fraud to their credit card company and/or bank. Drake is providing individuals with information on how to place a fraud alert and security freeze on one's credit file, information on protecting against tax fraud, the contact details for the national consumer reporting agencies, information on how to obtain a free credit report, a reminder to remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring free credit reports, and encouragement to contact the Federal Trade Commission, their state Attorney General, and law enforcement to report attempted or actual identity theft and fraud. In addition, Drake notified the Internal Revenue Service, and the Federal Bureau of Investigations regarding this incident and are actively cooperating in their investigations.

Contact Information

Should you have any questions regarding this notification or other aspects of the data security event, please contact us at (267) 930-4784.

Very truly yours,



Jeffrey J. Boogay of
MULLEN COUGHLIN LLC

JJB/smm
Enclosure

EXHIBIT A

DrakeSoftware

Return Mail Processing
PO Box 589
Claysburg, PA 16625-0589

F4890-L01-0000001 P001 T00001 *****MIXED AADC 159



SAMPLE A SAMPLE - ADULT
APT 123
123 ANY ST
ANYTOWN, US 12345-6789



April 23, 2020

Re: Notice of Data Breach

Dear Sample A Sample:

Drake Software ("Drake") writes to notify you of an incident that may affect the security of some of your personal information. Drake provides software and a Hosted environment solution to tax professionals and received your information from your tax professional, Stephen Takenaga, CPA, who utilizes our services to prepare and file your tax return. We want to provide you with information about the incident, our response and steps you may take to better protect against possible misuse of your personal information, should you feel it appropriate to do so.

What Happened? On February 19, 2020, Drake discovered suspicious activity within its Drake Hosted environment. We immediately launched an investigation, with the assistance of leading third-party forensic investigators, to determine the full nature and scope of this incident and what information contained within the affected system may be affected. On March 17, 2020, the investigation determined that an unknown actor(s) gained access to the Drake Hosted environment and certain information within the Drake Hosted environment was downloaded.

The content of the downloaded information was reviewed to determine what sensitive data may have been contained therein. It was determined that the downloaded information included your information. Upon discovery, we promptly launched a review of our files to ascertain address information for the impacted individuals to notify those individuals.

What Information was Involved? Drake's investigation confirmed that the information contained in the file accessed included your name, address, date of birth, Social Security number, driver's license number, bank account information, and other tax return related information. You may be receiving this letter because you are listed as a spouse or dependent on a tax filing of a Stephen Takenaga, CPA client.

Please note, there may also be information related to dependents if provided for previous tax filings. We will be notifying all impacted individuals separately, so if your dependent is impacted, they will be sent a separate letter.

What We Are Doing. The confidentiality, privacy, and security of our sensitive information is one of our highest priorities. Upon learning of the event, we immediately commenced an investigation to

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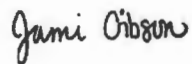
confirm the nature and scope of the incident and to identify what information may be present in the affected file. While we have measures in place to protect information in our systems, we are reviewing our policies and procedures for ways to continue improving security. In addition, we notified the Internal Revenue Service, and the Federal Bureau of Investigations regarding this incident. We are actively cooperating in their investigations.

As an added precaution, we are offering you access to twenty-four (24) months of credit monitoring and identity theft restoration services through Experian at no cost to you. Please review the attached "*Steps You Can Take to Protect Against Identity Theft and Fraud*" for information on these services and instruction on how to enroll. We encourage you to enroll in these services as we are not able to act on your behalf to do so.

What You Can Do. Please review the enclosed "*Steps You Can Take to Protect Against Identity Theft and Fraud*," which contains information on what you can do to better protect against possible misuse of your information. You may also enroll in the credit monitoring and identity theft restoration services we are offering, as we are unable to do so on your behalf.

For More Information. We understand you may have questions that are not answered in this letter. If you have questions, please contact (855) 414-6050 Monday through Friday from 6:00 a.m. to 8:00 p.m. PST and Saturday/Sunday from 8:00 a.m. to 5:00 p.m. PST

Sincerely,



Jami Gibson
Vice President, Internal Operations
Drake Software

Steps You Can Take to Protect Against Identity Theft and Fraud

Enroll in Credit Monitoring:

To help protect your identity, we are offering a complimentary two-year membership of Experian's® IdentityWorksSM. This product provides you with superior identity detection and resolution of identity theft. To activate your membership and start monitoring your personal information please follow the steps below:

- Ensure that you **enroll by: 7.31.20** (Your code will not work after this date.)
- **Visit** the Experian IdentityWorks website to enroll: <https://www.experianidworks.com/credit>
- Provide your **activation code:** [REDACTED]
- Provide your information when prompted.

If you have questions about the product, need assistance with identity restoration or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at [REDACTED] by **7.31.20**. Be prepared to provide engagement number [REDACTED] as proof of eligibility for the identity restoration services by Experian.

Additional details regarding your 24-month Experian IdentityWorks Membership:

A credit card is **not** required for enrollment in Experian IdentityWorks.

You can contact Experian **immediately** regarding any fraud issues, and have access to the following features once you enroll in Experian IdentityWorks:

- **Experian credit report at signup:** See what information is associated with your credit file. Daily credit reports are available for online members only.*
- **Credit Monitoring:** Actively monitors Experian file for indicators of fraud.
- **Identity Restoration:** Identity Restoration agents are immediately available to help you address credit and non-credit related fraud.
- **Experian IdentityWorks ExtendCARETM:** You receive the same high-level of Identity Restoration support even after your Experian IdentityWorks membership has expired.
- **Up to \$1 Million Identity Theft Insurance**:** Provides coverage for certain costs and unauthorized electronic fund transfers.

If you believe there was fraudulent use of your information and would like to discuss how you may be able to resolve those issues, please reach out to an Experian agent at (855) 414-6050. If, after discussing your situation with an agent, it is determined that Identity Restoration support is needed, then an Experian Identity Restoration agent is available to work with you to investigate and resolve each incident of fraud that occurred (including, as appropriate, helping you with contacting credit grantors to dispute charges and close accounts; assisting you in placing a freeze on your credit file with the three major credit bureaus; and assisting you with contacting government agencies to help restore your identity to its proper condition).

Monitor Your Accounts:

In addition to enrolling in the complimentary services detailed above, we encourage you to remain vigilant against incidents of identity theft and fraud, to review your account statements, and to monitor your credit reports for suspicious activity. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit reporting bureaus. To order your free credit report, visit www.annualcreditreport.com or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly to request a free copy of your credit report.

* Offline members will be eligible to call for additional reports quarterly after enrolling

**The Identity Theft Insurance is underwritten and administered by American Bankers Insurance Company of Florida, an Assurant company. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.



You have the right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit. Pursuant to federal law, you cannot be charged to place or lift a security freeze on your credit report. Should you wish to place a security freeze, please contact the major consumer reporting agencies listed below:

Experian

PO Box 9554
Allen, TX 75013
1-888-397-3742

www.experian.com/freeze/center.html

TransUnion

P.O. Box 160
Woodlyn, PA 19094
1-888-909-8872

www.transunion.com/credit-freeze

Equifax

PO Box 105788
Atlanta, GA 30348-5788
1-800-685-1111

www.equifax.com/personal/credit-report-services

In order to request a security freeze, you will need to provide the following information:

1. Your full name (including middle initial as well as Jr., Sr., II, III, etc.);
2. Social Security number;
3. Date of birth;
4. If you have moved in the past five (5) years, provide the addresses where you have lived over the prior five years;
5. Proof of current address, such as a current utility bill or telephone bill;
6. A legible photocopy of a government-issued identification card (state driver’s license or ID card, military identification, etc.); and
7. If you are a victim of identity theft, include a copy of either the police report, investigative report, or complaint to a law enforcement agency concerning identity theft.

As an alternative to a security freeze, you have the right to place an initial or extended “fraud alert” on your file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer’s credit file. Upon seeing a fraud alert display on a consumer’s credit file, a business is required to take steps to verify the consumer’s identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting seven years. Should you wish to place a fraud alert, please contact any one of the agencies listed below:

Experian

P.O. Box 9554
Allen, TX 75013
1-888-397-3742

www.experian.com/fraud/center.html

TransUnion

P.O. Box 2000
Chester, PA 19016
1-800-680-7289

www.transunion.com/fraud-victim-resource/place-fraud-alert

Equifax

P.O. Box 105069
Atlanta, GA 30348
1-888-766-0008

www.equifax.com/personal/credit-report-services

Additional Information

You can contact the IRS at www.irs.gov/Individuals/Identity-Protection for helpful information and guidance on steps you can take to address a fraudulent tax return filed in your name and what to do if you become the victim of such fraud should you feel it appropriate to do so. You can also visit www.irs.gov/uac/Taxpayer-Guide-to-Identity-Theft for more information.

You can further educate yourself regarding identity theft, fraud alerts, security freezes, and the steps you can take to protect yourself, by contacting the consumer reporting agencies, the Federal Trade Commission, or your state Attorney General.

The Federal Trade Commission can be reached at: 600 Pennsylvania Avenue NW, Washington, DC 20580, www.identitytheft.gov, 1-877-ID-THEFT (1-877-438-4338); TTY: 1-866-653-4261. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. You can obtain further information on how to file such a complaint by way of the contact information listed above. You have the right to file a police report if you ever experience identity theft or fraud. Please note that in order to file a report with law enforcement for identity theft, you will likely need to provide some proof that you have been a victim. Instances of known or suspected identity theft should also be reported to law enforcement and your state Attorney General. This notice has not been delayed by law enforcement.

For New York residents, the Attorney General may be contacted at: Office of the Attorney General, The Capitol, Albany, NY 12224-0341; 1-800-771-7755; <https://ag.ny.gov/>.

For North Carolina residents, the Attorney General can be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001, 1-877-566-7226 or 1-919-716-6400, www.ncdoj.gov.



DrakeSoftware

Return Mail Processing
PO Box 589
Claysburg, PA 16625-0589



F4890-L02-0000002 P001 T00001 *****MIXED AADC 159

SAMPLE A SAMPLE - MINOR

APT 123

123 ANY ST

ANYTOWN, US 12345-6789



April 23, 2020

Re: Notice of Data Breach

Dear Parent or Guardian of Sample A Sample:

Drake Software ("Drake") writes to notify you of an incident that may affect the security of some of your minor dependent's personal information. Drake provides software and a Hosted environment solution to tax professionals and received your minor dependent's information from your tax professional, Stephen Takenaga, CPA, who utilizes our services to prepare and file your tax return. We want to provide you with information about the incident, our response and steps you may take to better protect against possible misuse of your minor dependent's personal information, should you feel it appropriate to do so.

What Happened? On February 19, 2020, Drake discovered suspicious activity within its Drake Hosted environment. We immediately launched an investigation, with the assistance of leading third-party forensic investigators, to determine the full nature and scope of this incident and what information contained within the affected system may be affected. On March 17, 2020, the investigation determined that an unknown actor(s) gained access to the Drake Hosted environment and certain information within the Drake Hosted environment was downloaded.

The content of the downloaded information was reviewed to determine what sensitive data may have been contained therein. It was determined that the downloaded information included information related to your minor dependent. Upon discovery, we promptly launched a review of our files to ascertain address information for the impacted individuals to notify those individuals.

What Information was Involved? Drake's investigation confirmed that the information contained in the file accessed included your minor dependent's name, address, Date of Birth, and Social Security number.

What We Are Doing. The confidentiality, privacy, and security of our sensitive information is one of our highest priorities. Upon learning of the event, we immediately commenced an investigation to confirm the nature and scope of the incident and to identify what information may be present in the affected file. While we have measures in place to protect information in our systems, we are reviewing our policies and procedures for ways to continue improving security. In addition, we notified the Internal Revenue Service, and the Federal Bureau of Investigation regarding this incident. We are actively cooperating in their investigations.

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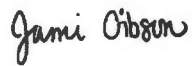
F4890-L02

As an added precaution, we are offering your minor dependent access to twenty-four (24) months of minor monitoring services through Experian at no cost. Please review the attached "*Steps You Can Take to Protect Against Identity Theft and Fraud*" for information on these services and instruction on how to enroll. We encourage you to enroll in these services as we are not able to act on your minor dependent's behalf to do so.

What You Can Do. Please review the enclosed "*Steps You Can Take to Protect Against Identity Theft and Fraud*," which contains information on what you can do to better protect against possible misuse of your minor dependent's information. You may also enroll in the monitoring product for minors we are offering, as we are unable to do so on their behalf.

For More Information. We understand you may have questions that are not answered in this letter. If you have questions, please contact (855) 414-6050 Monday through Friday from 6:00 a.m. to 8:00 p.m. PST and Saturday/Sunday from 8:00 a.m. to 5:00 p.m. PST

Sincerely,



Jami Gibson
Vice President, Internal Operations
Drake Software

STEPS YOU CAN TAKE TO PREVENT IDENTIFY THEFT AND FRAUD

Enroll In MinorPlus Monitoring Product:

To help protect your minor's identity, we are offering a complimentary two-year membership of Experian's® IdentityWorksSM. This product provides superior identity detection and resolution of identity theft. To activate this membership and start monitoring your minor's personal information please follow the steps below:

- Ensure that you **enroll by: 7.31.20** (Your code will not work after this date.)
- **Visit** the Experian IdentityWorks website to enroll: <https://www.experianidworks.com/minorplus>
- Provide your **activation code:** [REDACTED]
- Provide your minor's information when prompted

If you have questions about the product, need assistance with identity restoration for your minor or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at (855) 414-6050 by 7.31.20. Be prepared to provide engagement number [REDACTED] as proof of eligibility for the identity restoration services by Experian.

Additional Details Regarding Your 24-month Experian IdentityWorks Membership:

A credit card is **not** required for enrollment in Experian IdentityWorks.

You can contact Experian **immediately** regarding any fraud issues, and have access to the following features once you enroll in Experian IdentityWorks for your minor:

- **Social Security Number Trace:** Monitoring to determine whether enrolled minors in your household have an Experian credit report. Alerts of all names, aliases and addresses that become associated with your minor's Social Security Number (SSN) on the Experian credit report.
- **Internet Surveillance:** Technology searches the web, chat rooms & bulletin boards 24/7 to identify trading or selling of your personal information on the Dark Web.
- **Identity Restoration:** Identity Restoration specialists are immediately available to help you address credit and non-credit related fraud.
- **Experian IdentityWorks ExtendCARETM:** Receive the same high-level of Identity Restoration support even after the Experian IdentityWorks membership has expired.
- **Up to \$1 Million Identity Theft Insurance*:** Provides coverage for certain costs and unauthorized electronic fund transfers.

If you believe there was fraudulent use of your minor's information and would like to discuss how you may be able to resolve those issues, please reach out to an Experian agent at (855) 414-6050. If, after discussing your situation with an agent, it is determined that Identity Restoration support is needed, then an Experian Identity Restoration agent is available to work with you to investigate and resolve each incident of fraud that occurred (including, as appropriate, helping you with contacting credit grantors to dispute charges and close accounts; assisting you in placing a freeze on your credit file with the three major credit bureaus; and assisting you with contacting government agencies to help restore your identity to its proper condition).

*The Identity Theft Insurance is underwritten and administered by American Bankers Insurance Company of Florida, an Assurant company. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.



Monitor Your Minor Dependent's Accounts:

Typically, a minor under the age of eighteen does not have credit in his or her name, and the consumer reporting agencies do not have a credit report in a minor's name. To find out if your minor has a credit report or to request a manual search for your minor's Social Security number each credit bureau has its own process. To learn more about these processes or request these services, you may contact the credit bureaus by phone or in writing or you may visit the below websites:

Experian

P.O. Box 9554
Allen, TX 75013
1-888-397-3742

www.experian.com/fraud/form-minor-child.html

TransUnion

P.O. Box 2000
Chester, PA 19016
1-888-909-8872

www.transunion.com/credit-disputes/child-identity-theft-inquiry-form

Equifax

P.O. Box 105788
Atlanta, GA 30348-5788
1-800-685-1111

my.equifax.com/consumer-registration/UCSC/#!/personal-info

Under U.S. law, individuals are entitled to one free credit report annually from each of the three major credit reporting bureaus. To order your free credit report, visit www.annualcreditreport.com or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly to request a free copy of your minor's credit report should your minor have established credit.

Adults and minors, sixteen years or older, have the right to place a "security freeze" on a credit report, which will prohibit a consumer reporting agency from releasing information in the credit report without express authorization. A parent or guardian also has the right to place a "security freeze" on a minor's credit report if the child is under the age of sixteen. This right includes proactively placing a "security freeze" on a minor's credit report if the minor is under sixteen years old. If the nationwide credit reporting agencies don't have a credit file on the minor, they will create one so they can freeze it. This record can't be used for credit purposes. It's there to make sure the child's record is frozen and protected against potential identity theft and fraud. Pursuant to federal law, you cannot be charged to place or lift a security freeze on a credit report. Should you wish to place a security freeze on a credit file or proactively place a freeze on a minor's credit report, please contact the major consumer reporting agencies listed below:

Experian

PO Box 9554
Allen, TX 75013
1-888-397-3742

www.experian.com/freeze/center.html

TransUnion

P.O. Box 160
Woodlyn, PA 19094
1-888-909-8872

www.transunion.com/credit-freeze

Equifax

PO Box 105788
Atlanta, GA 30348-5788
1-800-349-9960

www.equifax.com/personal/credit-report-services

As an alternative to a security freeze, individuals with established credit have the right to place an initial or extended "fraud alert" on a credit file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer's credit file. Upon seeing a fraud alert display on a consumer's credit file, a business is required to take steps to verify the consumer's identity before extending new credit. If the minor is a victim of identity theft, he/she is entitled to an extended fraud alert, which is a fraud alert lasting seven years. Should you wish to place a fraud alert, please contact any one of the agencies listed below:

Experian

P.O. Box 2002
Allen, TX 75013
1-888-397-3742

www.experian.com/fraud/center.html

TransUnion

P.O. Box 2000
Chester, PA 19016
1-800-680-7289

www.transunion.com/fraud-victim-resource/place-fraud-alert

Equifax

P.O. Box 105069
Atlanta, GA 30348
1-800-525-6285

www.equifax.com/personal/credit-report-services

To request information about the existence of a credit file in your minor's name, search for your minor's Social Security number, place a security freeze on your minor's credit file, place a fraud alert on your minor's credit report (if one exists), or request a copy of your minor's credit report you may be required to provide the following information:

1. A copy of your driver's license or another government issued identification card, such as a state ID card, etc.;
2. proof of your address, such as a copy of a bank statement, utility bill, insurance statement, etc.;
3. a copy of your minor's birth certificate;
4. a copy of your minor's Social Security card;
5. your minor's full name, including middle initial and generation, such as JR, SR, II, III, etc.;
6. your minor's date of birth; and previous addresses for the past two years.

Additional Information

You can contact the IRS at www.irs.gov/Individuals/Identity-Protection for helpful information and guidance on steps you can take to address a fraudulent tax return filed in your name and what to do if you become the victim of such fraud should you feel it appropriate to do so. You can also visit www.irs.gov/uac/Taxpayer-Guide-to-Identity-Theft for more information.

You can further educate yourself regarding identity theft, fraud alerts, security freezes, and the steps you can take to protect your minor, by contacting the consumer reporting agencies, the Federal Trade Commission, or your state Attorney General.

The Federal Trade Commission can be reached at: 600 Pennsylvania Avenue NW, Washington, DC 20580, www.identitytheft.gov, 1-877-ID-THEFT (1-877-438-4338); TTY: 1-866-653-4261. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. You can obtain further information on how to file such a complaint by way of the contact information listed above. You have the right to file a police report if you ever experience identity theft or fraud. Please note that in order to file a report with law enforcement for identity theft, you will likely need to provide some proof that the minor has been a victim. Instances of known or suspected identity theft should also be reported to law enforcement and your state Attorney General. This notice has not been delayed by law enforcement.

For New York residents, the Attorney General may be contacted at: Office of the Attorney General, The Capitol, Albany, NY 12224-0341; 1-800-771-7755; <https://ag.ny.gov/>.

For North Carolina residents, the Attorney General can be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001, 1-877-566-7226 or 1-919-716-6400, www.ncdoj.gov.

